

State: Pennsylvania **Filing Company:** The Prudential Insurance Company of America
TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified
Product Name: Individual Long Term Care Insurance
Project Name/Number: ILTC-1 Re-Rate/5I-2015

Filing at a Glance

Company: The Prudential Insurance Company of America
Product Name: Individual Long Term Care Insurance
State: Pennsylvania
TOI: LTC03I Individual Long Term Care
Sub-TOI: LTC03I.001 Qualified
Filing Type: Rate - G.I. (Guaranteed Issue)
Date Submitted: 01/11/2016
SERFF Tr Num: PRUD-130397950
SERFF Status: Assigned
State Tr Num: PRUD-130397950
State Status: Received Review in Progress
Co Tr Num: IIGHILTC1RERATE-RP-PA

Implementation: On Approval
Date Requested:
Author(s): Laura Hughes, Raenonna Ransom
Reviewer(s): Jim Laverty (primary)
Disposition Date:
Disposition Status:
Implementation Date:

State Filing Description:

Proposed aggregate 17.6% rate increase (29.2% for cash/unlimited BP, 20.9% cash/limited BP, 25.1% reimbursement/unlimited BP, and 12.6% reimbursement/limited BP) on 2,495 PA policyholders of Prudential forms GRP 98720, GRP 98721 and GRP 98722 (known as Series ILTC-1).

State: Pennsylvania **Filing Company:** The Prudential Insurance Company of America
TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified
Product Name: Individual Long Term Care Insurance
Project Name/Number: ILTC-1 Re-Rate/5I-2015

General Information

Project Name: ILTC-1 Re-Rate Status of Filing in Domicile: Pending
 Project Number: 5I-2015 Date Approved in Domicile:
 Requested Filing Mode: Review & Approval Domicile Status Comments: Filed Concurrently.
 Explanation for Combination/Other: Market Type: Individual
 Submission Type: New Submission Individual Market Type:
 Overall Rate Impact: 17.9% Filing Status Changed: 01/12/2016
 State Status Changed: 01/20/2016
 Deemer Date: Created By: Raenonna Ransom
 Submitted By: Raenonna Ransom Corresponding Filing Tracking Number:

Filing Description:
 Please refer to the filing cover letter attached to the Supporting Documentation Tab of this filing.

Company and Contact

Filing Contact Information

Keith Burns, Director and Actuary Kieth.Burns@Prudential.com
 ROS3 402-934-4280 [Phone]
 Roseland, NJ 11111

Filing Company Information

The Prudential Insurance CoCode: 68241 State of Domicile: New Jersey
 Company of America Group Code: 304 Company Type: Life
 751 Broad Street Group Name: State ID Number:
 Newark, NJ 07102-3777 FEIN Number: 22-1211670
 (973) 802-6000 ext. [Phone]

Filing Fees

Fee Required? No
 Retaliatory? No
 Fee Explanation:

SERFF Tracking #:

PRUD-130397950

State Tracking #:

PRUD-130397950

Company Tracking #:

IIGHILTC1RERATE-RP-PA

State:

Pennsylvania

Filing Company:

The Prudential Insurance Company of America

TOI/Sub-TOI:

LTC03I Individual Long Term Care/LTC03I.001 Qualified

Product Name:

Individual Long Term Care Insurance

Project Name/Number:

ILTC-1 Re-Rate/5I-2015

Rate Information

Rate data applies to filing.

Filing Method:

SERFF

Rate Change Type:

Increase

Overall Percentage of Last Rate Revision:

20.000%

Effective Date of Last Rate Revision:

05/01/2014

Filing Method of Last Filing:

SERFF

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):
The Prudential Insurance Company of America	17.600%	17.900%	\$1,220,244	2,495	\$6,817,008	29.200%	12.600%

SERFF Tracking #:

PRUD-130397950

State Tracking #:

PRUD-130397950

Company Tracking #:

IIGHILTC1RERATE-RP-PA

State:

Pennsylvania

Filing Company:

The Prudential Insurance Company of America

TOI/Sub-TOI:

LTC03I Individual Long Term Care/LTC03I.001 Qualified

Product Name:

Individual Long Term Care Insurance

Project Name/Number:

ILTC-1 Re-Rate/5I-2015

Rate/Rule Schedule

Item No.	Schedule Item Status	Document Name	Affected Form Numbers (Separated with commas)	Rate Action	Rate Action Information	Attachments
1		Appendix F - Rate Pages	GRP 98720, GRP 98721 & GRP 98722	Revised	Previous State Filing Number: PRUD-129010828 Percent Rate Change Request: 21	PA - Appendix F - Rate Pages (ILTC-1) - 1-2016.pdf,

Appendix F
The Prudential Insurance Company of America
Individual Long Term Care Insurance Plan
Base Rates and Adjustment Factors

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PENNSYLVANIA BASE RATES BEFORE ADJUSTMENTS			
Gross Annual Preferred Single Premium Per \$10.00 of Institutional Care Daily Benefit Home & Community-Based Care Daily Benefit: 75% of Institutional Care Daily Benefit \$1,825 x Daily Benefit Lifetime Maximum Benefit (5 Year Benefit Period) 100-Day Calendar Day Benefit Waiting Period			
Age	Automatic Simple Inflation GRP 98720	Automatic Compound Inflation GRP 98721	Periodic Inflation GRP 98722
18-30	54.01	71.21	36.72
31	56.77	74.54	38.36
32	59.67	78.03	40.05
33	62.72	81.70	41.83
34	65.93	85.52	43.68
35	69.29	89.52	45.61
36	72.83	93.71	47.64
37	76.55	98.11	49.75
38	80.46	102.69	51.94
39	84.57	107.50	54.26
40	88.90	112.54	56.66
41	92.13	116.15	58.48
42	95.50	119.87	60.35
43	98.98	123.70	62.28
44	102.58	127.65	64.27
45	106.32	131.75	66.34
46	110.19	135.95	68.47
47	114.21	140.32	70.67
48	118.39	144.81	72.92
49	122.69	149.43	75.27
50	127.16	154.23	77.67
51	134.77	163.28	82.19
52	142.86	172.89	86.96
53	151.42	183.05	91.99
54	160.50	193.83	97.33
55	170.10	205.21	103.00
56	180.32	217.28	108.97
57	191.12	230.06	115.28
58	202.57	243.58	121.98
59	214.71	257.90	129.06
60	227.58	273.07	136.54
61	241.75	287.23	146.28
62	256.81	302.14	156.68
63	272.80	317.81	167.88
64	289.81	334.31	179.82
65	307.85	351.66	192.65
66	336.66	382.24	213.24
67	368.16	415.45	236.05
68	402.61	451.57	261.30
69	440.28	490.83	289.25
70	481.48	533.50	320.18
71	531.45	584.80	357.64
72	586.61	641.08	399.46
73	647.48	702.74	446.18
74	714.67	770.32	498.37
75	788.85	844.43	556.65
76	874.63	930.47	624.50
77	969.74	1,025.29	700.60
78	1,075.21	1,129.75	785.98
79	1,192.13	1,244.86	881.76
80	1,321.77	1,371.70	989.22
81	1,427.07	1,475.35	1,075.80
82	1,540.78	1,586.86	1,169.98
83	1,663.53	1,706.77	1,272.39
84	1,796.06	1,835.75	1,383.79
85	1,939.16	1,974.47	1,504.92

ADJUSTMENT FACTORS – UNDERWRITING CLASS	
Underwriting Class	All Ages
Preferred	1.000
Standard	1.250

ADJUSTMENT FACTORS – PREMIUM PAYMENT MODE	
Premium Payment Mode	All Ages
Annual	1.000
Semi-Annual	0.510
Quarterly	0.265
Monthly	0.090
Auto-Monthly	0.085

ADJUSTMENT FACTORS – MARITAL STATUS			
Marital Status	All Ages		Minimum Factor for all Discounts combined
	Without Good Health Discount	With Good Health Discount	
Married Joint	0.80	0.70	0.70
Married Single	0.90	0.75	0.75
Single (Not Married)	1.00	0.85	0.75

Appendix F
The Prudential Insurance Company of America
Individual Long Term Care Insurance Plan
Automatic Simple Interest Inflation Protection
Base Rates and Adjustment Factors

GRP 98720
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ADJUSTMENT FACTORS – LIFETIME MAXIMUM (BENEFIT PERIOD)						
Benefit Period	Ages					
	18-39	40-49	50-59	60-69	70-79	80+
3 YEAR	0.856	0.840	0.833	0.831	0.824	0.813
4 YEAR	0.940	0.934	0.931	0.930	0.927	0.922
5 YEAR	1.000	1.000	1.000	1.000	1.000	1.000
Unlimited	1.478	1.512	1.510	1.492	1.495	1.520

ADJUSTMENT FACTORS – BENEFIT WAITING PERIOD						
Benefit Waiting Period	Ages					
	18-39	40-49	50-59	60-69	70-79	80+
0 DAY	1.105	1.134	1.165	1.191	1.225	1.269
30 DAY	1.078	1.101	1.126	1.145	1.165	1.187
60 DAY	1.045	1.058	1.071	1.080	1.092	1.105
100 DAY	1.000	1.000	1.000	1.000	1.000	1.000

ADJUSTMENT FACTORS – HOME & COMMUNITY-BASED CARE DAILY BENEFIT						
% of Institutional Benefit	Ages					
	18-39	40-49	50-59	60-69	70-79	80+
75%	1.000	1.000	1.000	1.000	1.000	1.000
50%	0.926	0.924	0.926	0.935	0.941	0.941
100%	1.057	1.062	1.065	1.058	1.042	1.033

Select only one (if any) of the following three Home & Community Based Care Options: Monthly, Cash, or Cash Indemnity Rider						
ADJUSTMENT FACTORS – MONTHLY BENEFIT RIDER (RIDER ONLY)						
HHC % of Institutional Benefit	Ages					
	18-39	40-49	50-59	60-69	70-79	80+
75%	0.060	0.071	0.082	0.077	0.057	0.051
50%	0.094	0.100	0.100	0.090	0.082	0.082
100%	0.034	0.047	0.059	0.056	0.045	0.051

ADJUSTMENT FACTORS – CASH BENEFIT RIDER (RIDER ONLY)						
HHC % of Institutional Benefit	Benefit Period	Ages				
		18-39	40-49	50-59	60-69	70-79
75%	3 YEAR	0.678	0.678	0.643	0.582	0.553
	4 YEAR	0.678	0.678	0.643	0.582	0.553
	5 YEAR	0.678	0.678	0.643	0.582	0.553
	Unlimited	0.614	0.614	0.580	0.521	0.493
50%	3 YEAR	0.617	0.607	0.569	0.507	0.477
	4 YEAR	0.617	0.607	0.569	0.507	0.477
	5 YEAR	0.617	0.607	0.569	0.507	0.477
	Unlimited	0.555	0.546	0.509	0.450	0.421
100%	3 YEAR	0.710	0.716	0.685	0.632	0.630
	4 YEAR	0.710	0.716	0.685	0.632	0.630
	5 YEAR	0.710	0.716	0.685	0.632	0.630
	Unlimited	0.645	0.650	0.620	0.570	0.568

ADJUSTMENT FACTORS – CASH INDEMNITY RIDER (RIDER ONLY)						
HHC % of Institutional Benefit	Benefit Period	Ages				
		18-39	40-49	50-59	60-69	70-79
75%	3 YEAR	0.373	0.373	0.354	0.320	0.304
	4 YEAR	0.373	0.373	0.354	0.320	0.304
	5 YEAR	0.373	0.373	0.354	0.320	0.304
	Unlimited	0.338	0.338	0.319	0.287	0.271
50%	3 YEAR	0.339	0.334	0.313	0.279	0.262
	4 YEAR	0.339	0.334	0.313	0.279	0.262
	5 YEAR	0.339	0.334	0.313	0.279	0.262
	Unlimited	0.305	0.300	0.280	0.248	0.232
100%	3 YEAR	0.391	0.394	0.377	0.348	0.347
	4 YEAR	0.391	0.394	0.377	0.348	0.347
	5 YEAR	0.391	0.394	0.377	0.348	0.347
	Unlimited	0.355	0.358	0.341	0.314	0.312

ADJUSTMENT FACTORS - SHORTENED BENEFIT PERIOD NONFORFEITURE (RIDER ONLY)						
(applies to base plan and rider premiums)						
Included	Ages					
	18-39	40-49	50-59	60-69	70-79	80+
NO	0.000	0.000	0.000	0.000	0.000	0.000
YES	0.197	0.185	0.161	0.152	0.180	0.190

Appendix F
The Prudential Insurance Company of America
Individual Long Term Care Insurance Plan
Automatic Compound Interest Inflation Protection
Base Rates and Adjustment Factors

GRP 98721
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ADJUSTMENT FACTORS – LIFETIME MAXIMUM (BENEFIT PERIOD)						
Benefit Period	Ages					
	18-39	40-49	50-59	60-69	70-79	80+
3 YEAR	0.844	0.837	0.832	0.832	0.825	0.815
4 YEAR	0.935	0.933	0.931	0.931	0.928	0.923
5 YEAR	1.000	1.000	1.000	1.000	1.000	1.000
Unlimited	1.491	1.510	1.504	1.487	1.490	1.515

ADJUSTMENT FACTORS – BENEFIT WAITING PERIOD						
Benefit Waiting Period	Ages					
	18-39	40-49	50-59	60-69	70-79	80+
0 DAY	1.137	1.144	1.171	1.196	1.226	1.270
30 DAY	1.102	1.109	1.130	1.147	1.166	1.187
60 DAY	1.057	1.063	1.073	1.081	1.092	1.105
100 DAY	1.000	1.000	1.000	1.000	1.000	1.000

ADJUSTMENT FACTORS – HOME & COMMUNITY-BASED CARE DAILY BENEFIT						
% of Institutional Benefit	Ages					
	18-39	40-49	50-59	60-69	70-79	80+
75%	1.000	1.000	1.000	1.000	1.000	1.000
50%	0.927	0.925	0.928	0.936	0.942	
100%	1.057	1.056	1.057	1.049	1.034	

Select only one (if any) of the following three Home & Community Based Care Options: Monthly, Cash, or Cash Indemnity Rider						
ADJUSTMENT FACTORS – MONTHLY BENEFIT RIDER (RIDER ONLY)						
HHC % of Institutional Benefit	Ages					
	18-39	40-49	50-59	60-69	70-79	80+
75%	0.065	0.062	0.069	0.062	0.046	0.046
50%	0.094	0.099	0.097	0.089	0.082	0.080
100%	0.042	0.033	0.039	0.040	0.041	0.052

ADJUSTMENT FACTORS – CASH BENEFIT RIDER (RIDER ONLY)						
HHC % of Institutional Benefit	Benefit Period	Ages				
		18-39	40-49	50-59	60-69	70-79
75%	3 YEAR	0.651	0.666	0.627	0.571	0.552
	4 YEAR	0.651	0.666	0.627	0.571	0.552
	5 YEAR	0.651	0.666	0.627	0.571	0.552
	Unlimited	0.588	0.603	0.565	0.511	0.492
50%	3 YEAR	0.588	0.596	0.553	0.498	0.474
	4 YEAR	0.588	0.596	0.553	0.498	0.474
	5 YEAR	0.588	0.596	0.553	0.498	0.474
	Unlimited	0.527	0.535	0.493	0.441	0.418
100%	3 YEAR	0.690	0.716	0.680	0.636	0.638
	4 YEAR	0.690	0.716	0.680	0.636	0.638
	5 YEAR	0.690	0.716	0.680	0.636	0.638
	Unlimited	0.626	0.650	0.616	0.574	0.576

ADJUSTMENT FACTORS – CASH INDEMNITY RIDER (RIDER ONLY)						
HHC % of Institutional Benefit	Benefit Period	Ages				
		18-39	40-49	50-59	60-69	70-79
75%	3 YEAR	0.358	0.366	0.345	0.314	0.304
	4 YEAR	0.358	0.366	0.345	0.314	0.304
	5 YEAR	0.358	0.366	0.345	0.314	0.304
	Unlimited	0.323	0.332	0.311	0.281	0.271
50%	3 YEAR	0.323	0.328	0.304	0.274	0.261
	4 YEAR	0.323	0.328	0.304	0.274	0.261
	5 YEAR	0.323	0.328	0.304	0.274	0.261
	Unlimited	0.290	0.294	0.271	0.243	0.230
100%	3 YEAR	0.380	0.394	0.374	0.350	0.351
	4 YEAR	0.380	0.394	0.374	0.350	0.351
	5 YEAR	0.380	0.394	0.374	0.350	0.351
	Unlimited	0.344	0.358	0.339	0.316	0.317

ADJUSTMENT FACTORS - SHORTENED BENEFIT PERIOD NONFORFEITURE (RIDER ONLY)						
(applies to base plan and rider premiums)						
Included	Ages					
	18-39	40-49	50-59	60-69	70-79	80+
NO	0.000	0.000	0.000	0.000	0.000	0.000
YES	0.266	0.230	0.183	0.164	0.176	0.186

Appendix F
The Prudential Insurance Company of America
Individual Long Term Care Insurance Plan
Periodic Inflation Protection Offers
Base Rates and Adjustment Factors

GRP 98722
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ADJUSTMENT FACTORS – LIFETIME MAXIMUM (BENEFIT PERIOD)						
Benefit Period	Ages					
	18-39	40-49	50-59	60-69	70-79	80+
3 YEAR	0.896	0.875	0.863	0.857	0.845	0.835
4 YEAR	0.959	0.950	0.945	0.942	0.938	0.934
5 YEAR	1.000	1.000	1.000	1.000	1.000	1.000
Unlimited	1.352	1.402	1.425	1.429	1.450	1.477

ADJUSTMENT FACTORS – BENEFIT WAITING PERIOD						
Benefit Waiting Period	Ages					
	18-39	40-49	50-59	60-69	70-79	80+
0 DAY	1.085	1.118	1.156	1.190	1.231	1.277
30 DAY	1.063	1.090	1.121	1.147	1.172	1.193
60 DAY	1.037	1.053	1.069	1.081	1.096	1.108
100 DAY	1.000	1.000	1.000	1.000	1.000	1.000

ADJUSTMENT FACTORS – HOME & COMMUNITY-BASED CARE DAILY BENEFIT						
% of Institutional Benefit	Ages					
	18-39	40-49	50-59	60-69	70-79	80+
75%	1.000	1.000	1.000	1.000	1.000	1.000
50%	0.928	0.921	0.922	0.930	0.936	0.937
100%	1.067	1.076	1.081	1.074	1.059	1.048

Select only one (if any) of the following three Home & Community Based Care Options: Monthly, Cash, or Cash Indemnity Rider						
ADJUSTMENT FACTORS – MONTHLY BENEFIT RIDER (RIDER ONLY)						
HHC % of Institutional Benefit	Ages					
	18-39	40-49	50-59	60-69	70-79	80+
75%	0.077	0.092	0.107	0.108	0.084	0.071
50%	0.089	0.101	0.104	0.097	0.089	0.088
100%	0.053	0.069	0.088	0.092	0.071	0.062

ADJUSTMENT FACTORS – CASH BENEFIT RIDER (RIDER ONLY)						
HHC % of Institutional Benefit	Benefit Period	Ages				
		18-39	40-49	50-59	60-69	70-79
75%	3 YEAR	0.625	0.645	0.630	0.576	0.544
	4 YEAR	0.625	0.645	0.630	0.576	0.544
	5 YEAR	0.625	0.645	0.630	0.576	0.544
	Unlimited	0.563	0.582	0.568	0.516	0.485
50%	3 YEAR	0.562	0.574	0.552	0.501	0.467
	4 YEAR	0.562	0.574	0.552	0.501	0.467
	5 YEAR	0.562	0.574	0.552	0.501	0.467
	Unlimited	0.503	0.514	0.492	0.444	0.411
100%	3 YEAR	0.644	0.670	0.660	0.614	0.602
	4 YEAR	0.644	0.670	0.660	0.614	0.602
	5 YEAR	0.644	0.670	0.660	0.614	0.602
	Unlimited	0.581	0.606	0.597	0.552	0.541

ADJUSTMENT FACTORS – CASH INDEMNITY RIDER (RIDER ONLY)						
HHC % of Institutional Benefit	Benefit Period	Ages				
		18-39	40-49	50-59	60-69	70-79
75%	3 YEAR	0.344	0.355	0.347	0.317	0.299
	4 YEAR	0.344	0.355	0.347	0.317	0.299
	5 YEAR	0.344	0.355	0.347	0.317	0.299
	Unlimited	0.310	0.320	0.312	0.284	0.267
50%	3 YEAR	0.309	0.316	0.304	0.276	0.257
	4 YEAR	0.309	0.316	0.304	0.276	0.257
	5 YEAR	0.309	0.316	0.304	0.276	0.257
	Unlimited	0.277	0.283	0.271	0.244	0.226
100%	3 YEAR	0.354	0.369	0.363	0.338	0.331
	4 YEAR	0.354	0.369	0.363	0.338	0.331
	5 YEAR	0.354	0.369	0.363	0.338	0.331
	Unlimited	0.320	0.333	0.328	0.304	0.298

ADJUSTMENT FACTORS - SHORTENED BENEFIT PERIOD NONFORFEITURE (RIDER ONLY)						
(applies to base plan and rider premiums)						
Included	Ages					
	18-39	40-49	50-59	60-69	70-79	80+
NO	0.000	0.000	0.000	0.000	0.000	0.000
YES	0.172	0.181	0.173	0.168	0.200	0.203

80+
0.540
0.540
0.540
0.481
0.459
0.459
0.459
0.404
0.642
0.642
0.642
0.579
80+
0.297
0.297
0.297
0.265
0.252
0.252
0.252
0.222
0.353
0.353
0.353
0.318

||

80+
0.542
0.542
0.542
0.483
0.458
0.458
0.458
0.403
0.649
0.649
0.649
0.586
80+
0.298
0.298
0.298
0.266
0.252
0.252
0.252
0.222
0.357
0.357
0.357
0.322

||

80+
0.521
0.521
0.521
0.463
0.442
0.442
0.442
0.387
0.605
0.605
0.605
0.544
80+
0.287
0.287
0.287
0.255
0.243
0.243
0.243
0.213
0.333
0.333
0.333
0.299

||

SERFF Tracking #:

PRUD-130397950

State Tracking #:

PRUD-130397950

Company Tracking #:

IIGHILTC1RERATE-RP-PA

State: Pennsylvania

Filing Company:

The Prudential Insurance Company of America

TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified

Product Name: Individual Long Term Care Insurance

Project Name/Number: ILTC-1 Re-Rate/5I-2015

Supporting Document Schedules

Satisfied - Item:	Transmittal Letter (A&H)
Comments:	
Attachment(s):	PA - Filing Cover Letter - 1-11-2016.pdf
Item Status:	
Status Date:	

Bypassed - Item:	Actuarial Certification (A&H)
Bypass Reason:	N/A - This is a rate increase filing for an existing approved product. There are no new forms included with the filing material. Please refer to Section 24 (page 9) of the Actuarial Memorandum attached to the Supporting Documentation Tab of tis filing.
Attachment(s):	
Item Status:	
Status Date:	

Satisfied - Item:	Actuarial Memorandum and Explanatory Information (A&H)
Comments:	
Attachment(s):	PA - Actuarial Memorandum - Revised Rates ILTC-1 - 12-2015.pdf PA - Appendices - ILTC-1 - 1-2016.pdf
Item Status:	
Status Date:	

Bypassed - Item:	Advertisements (A&H)
Bypass Reason:	N/A
Attachment(s):	
Item Status:	
Status Date:	

Bypassed - Item:	Authorization to File (A&H)
Bypass Reason:	N/A
Attachment(s):	
Item Status:	
Status Date:	

Bypassed - Item:	Insert Page Explanation (A&H)
Bypass Reason:	N/A
Attachment(s):	

SERFF Tracking #:

PRUD-130397950

State Tracking #:

PRUD-130397950

Company Tracking #:

IIGHILTC1RERATE-RP-PA

State: Pennsylvania

Filing Company:

The Prudential Insurance Company of America

TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified

Product Name: Individual Long Term Care Insurance

Project Name/Number: ILTC-1 Re-Rate/5I-2015

Item Status:	
Status Date:	
Bypassed - Item:	Rate Table (A&H)
Bypass Reason:	Please refer to Appendix F - Rate Pages attached to the Rate Schedule Tab of this filing.
Attachment(s):	
Item Status:	
Status Date:	
Bypassed - Item:	Replacement Form with Highlighted Changes (A&H)
Bypass Reason:	N/A
Attachment(s):	
Item Status:	
Status Date:	
Bypassed - Item:	Reserve Calculation (A&H)
Bypass Reason:	Please refer to the Actuarial Memorandum attached to the Supporting Documentation Tab of this filing.
Attachment(s):	
Item Status:	
Status Date:	
Bypassed - Item:	Variability Explanation (A&H)
Bypass Reason:	N/A
Attachment(s):	
Item Status:	
Status Date:	
Satisfied - Item:	Appendix C - Description of Experience Analysis and Assumption Setting
Comments:	
Attachment(s):	PA - Appendix C - Description of Experience Analysis and Assumption Setting - 12-2015.pdf
Item Status:	
Status Date:	
Satisfied - Item:	Appendix C - Exhibit 1 - Mortality Details - ILTC-1
Comments:	
Attachment(s):	PA - Appendix C - Exhibit 1 - Mortality Details - ILTC-1 - 1-2016.pdf
Item Status:	
Status Date:	

SERFF Tracking #:

PRUD-130397950

State Tracking #:

PRUD-130397950

Company Tracking #:

IIGHILTC1RERATE-RP-PA

State:

Pennsylvania

Filing Company:

The Prudential Insurance Company of America

TOI/Sub-TOI:

LTC03I Individual Long Term Care/LTC03I.001 Qualified

Product Name:

Individual Long Term Care Insurance

Project Name/Number:

ILTC-1 Re-Rate/5I-2015

Satisfied - Item:	Appendix C - Exhibit 2 - Lapse Analysisi Details - ILTC-1
Comments:	
Attachment(s):	PA - Appendix C - Exhibit 2 - Lapse Analysis Details - ILTC-1 - 1-2016.pdf
Item Status:	
Status Date:	

Satisfied - Item:	Appendix C - Exhibit 3 - Morbidity Details - ILTC-1
Comments:	
Attachment(s):	PA - Appendix C - Exhibit 3 - Morbidity Details - ILTC-1 - 1-2016.pdf
Item Status:	
Status Date:	

Satisfied - Item:	Appendix D - Persistency - ILTC-1
Comments:	
Attachment(s):	PA - Appendix D - Persistency - ILTC-1 - 1-2016.pdf
Item Status:	
Status Date:	

Satisfied - Item:	Appendix E - DOB - ILTC-1
Comments:	
Attachment(s):	PA - Appendix E - DOB - ILTC-1 - 1-2016.pdf
Item Status:	
Status Date:	



Keith Burns, ASA, MAAA
 Vice President and Actuary
 Financial Management

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January 11, 2016

The Honorable Teresa D. Miller
 Commissioner of Insurance
 Pennsylvania Insurance Department
 1326 Strawberry Square
 Harrisburg, PA 17120

Re: The Prudential Insurance Company of America
 NAIC #304-68241
 Individual Long Term Care Insurance
 Form Numbers: GRP 98720, GRP 98721 & GRP 98722

Dear Commissioner Miller:

We enclose for your review a long-term care insurance rate schedule change. We are requesting the approval of a premium rate increase for the above referenced forms. This rate revision is a follow-up request meant to recover rate revisions that were not fully approved in Pennsylvania. Approval of this request would bring Pennsylvania's premiums in line with states that have approved full amounts in the past.

Forms GRP 98720, GRP 98721 and GRP 98722 (ILTC 1) were previously approved by the Department on April 12, 1999 and were sold nationwide during the period of 1998 through 2004. This product is currently not being marketed in any state.

Some of Prudential's pricing assumptions for this series of forms, although based on the best information then available, were not consistent with our emerging experience. In view of these results, we are requesting proposing an average rate increase of 21% for the forms GRP 98720, GRP 98721 & GRP 98722, et al in the state of Pennsylvania.

Policy	No Cash Rider	No Cash Rider w/Unlimited Lifetime Maximum	Cash Rider	Cash Rider w/ Unlimited Lifetime Maximum
GRP 98720	12.6%	25.1%	20.9%	29.2%
GRP 98721	12.6%	25.1%	20.9%	29.2%
GRP 98722	12.6%	25.1%	20.9%	29.2%

The rate increase is needed to help ensure that future premiums, in combination with existing reserves, will be adequate to fund anticipated claims. We have tried to keep these increases as low as reasonably possible in the hope of minimizing the impact on our policyholders. We will continue to monitor the performance of this block of business after this rate action. It is possible that as we continue to regularly review the experience of these policies, another increase may be needed in the future.

The deterioration of experience relative to pricing has contributed to the need to strengthen Prudential's reserves depleting surplus. On a statutory basis, the LTC business holds \$1.6 billion in Asset Adequacy Testing reserves as of December 31, 2014. In addition, in 2012, Prudential's LTC business went into GAAP loss recognition incurring a pre-tax charge of \$639 million.

The requested rate increases will not restore original profit margins, but will help Prudential avoid additional losses as well as further depletion of its surplus. The increases will also help maintain equity within Prudential's policyholder population as deferring rate increases will only increase the size of needed future rate increases.

The proposed premium rates will be effective on each policy's first modal premium due date that is on or after the state increase effective date established by Prudential following state approval. The earliest increase, once approval is provided, will be no earlier than 60 days from the date of approval, so that Prudential can provide sixty days advance notice of the rate increase to insureds.

We understand that a premium increase may be difficult for our policyholders to absorb. Consequently, Prudential is prepared to offer a number of options to enable the premium an insured is paying to remain the same such as reducing their benefit period, decreasing their Daily Benefit Maximum, or dropping rider(s) (e.g. optional coverage). Additionally, as an alternative, our policyholders may also exercise their rights under a non-forfeiture benefit rider or the policy's contingent non-forfeiture provision.

Furthermore, if not already exercised during the previous rate increase, policyholders with the Cash Benefit Rider will be given the opportunity to convert to a Cash Indemnity Rider. This policy amendment (GRP 114975) was previously approved by the Department on September 26, 2013, under SERFF Filing Number PRUD-129012172.

The following items are included with this submission:

- All Actuarial Material
- All Required Certifications
- State transmittal and checklists (If applicable)

Correspondence: Please correspond directly with my associate concerning this filing.

Raenonna Prince, CLTC, LTCP
Lead Analyst
The Prudential Insurance Company of America
P. O. Box 7907
Philadelphia, PA 19101-7907

Voice: (800) 732-0416 or (215) 658-6281
Fax: (888) 294-6332
e-mail: raenonna.prince@prudential.com

Very truly yours,



Keith Burns, ASA, MAAA
Vice President and Actuary

Enclosures

January 5, 2016
Actuarial Memorandum Supporting Rate Revision for
The Prudential Insurance Company of America
Individual Long-Term Care Insurance Plan
Pennsylvania

1. Scope and Purpose

The purpose of this memorandum is to provide actuarial information supporting a rate revision to premiums for the following The Prudential Insurance Company of America's Tax-Qualified individual long-term care Forms and their associated riders:

<u>Product Name</u>	<u>Form Number</u>	<u>Issue Dates in Pennsylvania</u>
ILTC1, Simple Inflation	GRP 98720	8/1999 - 12/2008
ILTC1, Compound Inflation	GRP 98721	8/1999 - 12/2008
ILTC1, Periodic Inflation Option	GRP 98722	8/1999 - 12/2008

Some riders may not be available in all states. This rate filing is not intended to be used for other purposes.

The rate revision is a follow-up request meant to recover rate revisions that were not fully approved in Pennsylvania. The rate increases continue to be actuarially justified and are unchanged from our original requests.

Upon approval of this rate revision, Prudential will communicate to policyholders their options to reduce the impact of the rate increase. There will also be opportunities for almost all policyholders to keep the premium at or below the same level they were paying prior to the rate revision. These options will include increasing the elimination period, reducing the lifetime maximum, reducing the daily benefit, eliminating optional riders, opting into the cash indemnity rider from the cash benefit rider, and a contingent non-forfeiture option that we will be offering to all policyholders regardless of their age or rate increase amount.

These revisions are necessary because the current best estimate projections of the nationwide lifetime loss ratios are significantly worse than the expected loss ratios. The higher lifetime loss ratios are due to adverse morbidity and persistency experience.

Please refer to Section 22 for a description of the information contained in each Appendix.

2. Description of Benefits

The policies issued on these forms are referred as the "ILTC1" product series. This product was individually underwritten and provides comprehensive long-term care coverage for care received in a nursing home, assisted living facility, or hospice in addition to home and

**Actuarial Memorandum Supporting Rate Revisions for
The Prudential Insurance Company of American
Individual Long-Term Care Insurance Product
January 5, 2016**

community-based care. This product is intended to be Tax Qualified Long Term Care Insurance Contracts as defined by the internal revenue code section 7702B(b).

This product reimburses covered long-term care expenses subject to the amount of coverage purchased. A waiting period, institutional daily benefit amount, home and community care percentage, maximum lifetime benefit amount and inflation protection option are selected at issue. The available choices can be found in the attached premium rate tables.

The benefit eligibility criteria is based on the insured's loss of the ability to perform two of the six activities of daily living (ADLs) or having a severe cognitive impairment. Activities of Daily Living are bathing, continence, dressing, eating, toileting, and transferring. Premiums will be waived beginning the first day of the next month following when LTC benefits are payable.

There are several optional riders that were sold with this product, including a cash benefit option and a monthly benefit option. The cash benefit option allows the insured to choose to receive benefits for Home and Community-Based Care as a cash benefit rather than as reimbursement. No formal services are required to receive a cash benefit. Policies with the cash benefit option are referred to as "Cash Plans" and plans without the cash benefit option are referred to as "Reimbursement Plans". The monthly benefit option provides benefits for Home and Community-Based Care on a monthly basis such that any or all of the benefits for Home and Community-Based Care can be used within the time frames that meet the insured's needs.

The Cash Indemnity Rider will pay the full daily benefit amount for each day that home care formal services are received.

3. Renewability Clause

This product is a Guaranteed Renewable, Individual Long Term Care policy.

4. Marketing Method

This plan was marketed to individuals by licensed agents.

5. Applicability

The revised rates contained in this memorandum will be applicable to in-force policies, as these policy forms are no longer sold in the market, and all future periodic inflation protection

**Actuarial Memorandum Supporting Rate Revisions for
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Individual Long-Term Care Insurance Product
January 5, 2016**

offers. The revised premium rate schedules can be found in Appendix F.

6. Actuarial Assumptions

The actuarial assumptions used to project the future premiums and claims are described in this section. Appendix C provides further details of the experience studies conducted that were used to develop the actuarial assumptions. These current assumptions, developed in 2015, are Prudential's best estimate expectations of future experience and do not include any provisions for adverse experience. These assumptions are the basis for the assumptions being used in the company's internal cash flow testing.

Morbidity

The best estimate morbidity assumptions were developed based on a combination of the Prudential's historical claim experience, the Milliman 2011 *Long Term Care Guidelines (Guidelines)* and judgment. The *Guidelines* reflect over 15.3 million life years of exposure and \$10.5 billion of incurred claims and the experience and judgment of Milliman actuaries. The policy design and coverages, the underwriting applied at the time, and the claim adjudication process were all considered when setting the claim cost assumptions. The claim cost assumptions reflect Prudential's current best estimate of future morbidity, including morbidity improvement of 1% per year through 2035. The assumptions do not include any adverse selection from the rate increase or loads for moderately adverse experience.

Mortality

The mortality assumptions were developed from a mortality study conducted on the Prudential's experience and judgment. The best estimate mortality assumption is the Annuity 2000 Basic Table on a sex distinct basis with mortality selection factors, mortality attained age factors and mortality improvement. The mortality selection factors vary by issue age and duration and start at 0.25 in duration 1 and grade up to an ultimate factor by duration 30. The ultimate factor varies by issue age and ranges from 0.90 at the younger ages to 1.05 at the older ages. A set of mortality attained age factors is also applied that lowers the mortality by 10% for attained ages 60 and under and grades to an increase of 10% in mortality by age 100. Mortality improvement of 0.6% per year through 2035 is assumed. The assumptions do not include any loads for moderately adverse experience.

**Actuarial Memorandum Supporting Rate Revisions for
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Lapses

The voluntary lapse assumptions were developed from a policy persistency study conducted on the Company's experience and judgment. Lapse rates are combined with mortality rates to derive the total termination rate. In addition, the projections also terminate a policy if the insured exhausts their benefits. We assumed all remaining policies would terminate at attained age 120. The lapse assumptions represent the best estimate expectations of future experience and do not include any provisions for adverse experience. Lastly, the projections include an annual shock lapse rate of 1.6% assumed over the first two years of implementation. Voluntary lapse rates are shown below and vary by policy duration.

Voluntary Lapse Rates - Lifetime Pay				
Duration	Single - No Inflation	Single - Inflation	Married - No Inflation	Married - Inflation
1	9.50%	8.00%	6.00%	4.00%
2	6.50%	6.00%	4.00%	3.00%
3	5.50%	4.50%	3.50%	3.00%
4	5.00%	3.50%	3.00%	2.50%
5	4.50%	3.00%	2.50%	1.80%
6	3.50%	3.00%	2.00%	1.50%
7	3.00%	3.00%	1.75%	1.50%
8	2.75%	2.00%	1.75%	1.30%
9	2.75%	1.75%	1.75%	1.00%
10-20	2.75%	1.75%	1.75%	0.75%
21+	2.50%	1.50%	1.50%	0.50%

NOTE: No inflation includes plans without inflation and GPO.

Voluntary Lapse Rates - Limited Pay			
Duration	10 Pay	Premium Reduction at Age 65	Paid Up at Age 65
1	3.50%	4.50%	5.00%
2	2.50%	3.50%	4.50%
3	1.50%	3.00%	3.50%
4	1.00%	2.50%	2.50%
5	0.50%	2.00%	2.00%
6	0.50%	2.00%	2.00%
7	0.50%	1.50%	1.50%
8	0.50%	1.50%	1.50%

**Actuarial Memorandum Supporting Rate Revisions for
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9	0.00%	1.50%	1.50%
10-20	0.00%	1.50%	1.25%
21+	0.00%	1.25%*	1.00%**

* Starting at age 55, grade into 1.0% ultimate lapse rate by attained age 65.

** Starting at age 55, grade into 0.0% ultimate lapse rate by attained age 65.

Appendix D contains a comparison of the actual total termination rates to both the original pricing assumptions and current assumptions.

Interest Rate

An annual interest rate of 4.5% was used to calculate the lifetime loss ratio in the supporting appendices. This was determined based on the predominant number of certificates issued in years that the maximum statutory valuation rate was 4.5%.

Expenses

The need for a rate increase is based on the lifetime loss ratio being in excess of the minimum loss ratio. Expenses do not directly impact the lifetime loss ratio and therefore are not used as justification for the rate increase. As such, expenses are not being projected and are not included in this filing.

7. Premium Classes

The Company used several premium classes based on the underwriting assessment of the potential policyholder at time of issue. These premium classes are shown in the premium rate schedules included in Appendix F.

8. Issue Age Range

This product was available for issue ages up to 84. Premiums are based on issue age.

9. Area Factors

The Company did not use area factors within the state in the premium scale for this product.

10. Average Annual Premium

**Actuarial Memorandum Supporting Rate Revisions for
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The average annual premium for this product for both prior to the impact of the requested rate increase, and after, is indicated in Appendix A to this memorandum.

11. Modal Premium Factors

Modal loads are required because of the varied expenses incurred by the Company and the effect of interest and persistency. The modal premium factors will remain unchanged from the current factors.

12. Claim Liability and Reserve

Claim reserves were calculated using appropriate actuarial methods for IBNR and 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. An annual interest rate of 4.5% was used to calculate the present value of future claims in the supporting exhibits.

13. 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 required loss ratios. Incurred claims exclude any change in active life reserves.

14. Trend Assumption

Benefits payable are equal to or less than the daily or monthly benefit limit. We have not included any medical trend in the projections.

15. Requested Rate Increase and Demonstration of Satisfaction of Loss Ratio Requirements

Prudential is requesting an average premium increase of 21.0%. These rate increases vary depending on whether the policyholder has benefit periods that are limited (2, 3, 4 or 5 years) or unlimited as well as if the policyholder has reimbursement benefits or cash rider.

**Actuarial Memorandum Supporting Rate Revisions for
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Policy Type	ILTC1
Limited Benefit / Reimbursement	12.6%
Limited Lifetime Max / Cash	20.9%
Unlimited Lifetime Max / Reimbursement	25.1%
Unlimited Lifetime Max / Cash	29.2%
Average (using nationwide distribution mix)	21.0%

Because policies were sold both prior to and after the state's rate stability date, satisfaction of loss ratio requirements are demonstrated two different ways in Appendix A.

The first approach applies to policies sold prior to the rate stabilization date and is based on the minimum required loss ratio. This approach shows that with the requested rate increase the expected lifetime loss ratio exceeds the minimum loss ratio requirement.

The second approach applies to policies sold on or after the rate stabilization date and is based on a 58% loss ratio on the initial premium and an 85% loss ratio on the increased premium. This approach requires that the sum of the historical and projected future incurred claims must exceed the sum of 58% of the initial premium and 85% of the increased premium.

The requested rate increase satisfies the loss ratio requirements under either approach.

16. Distribution of Business

The historical experience reflects the actual distribution of policies during the experience period. We used the current distribution of business as of June 30, 2015 to project future experience. Appendix E contains the distribution of the inforce policies by key demographic and benefit characteristics.

17. Experience - Past and Future

The historical and projected nationwide and state-specific experience, both with and without the rate increase, is contained in Appendix B.

Historical experience is shown by claim incurral year.

18. Lifetime Loss Ratio

The anticipated nationwide lifetime loss ratios, both without a rate increase and with the

**Actuarial Memorandum Supporting Rate Revisions for
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requested rate increase, are shown in Appendix A. The development of these nationwide lifetime loss ratios, are shown in Appendix B and Appendix G.

The rate increase is assumed effective April 1, 2016 in our projections.

19. History of Rate Adjustments

See Appendix A for a history of rate increases on inforce policyholders with this policy form in this state.

20. Number of Policyholders

The current number of policyholders as of June 30, 2015 can be found in Appendix A.

21. Proposed Effective Date

This rate revision will be implemented following state approval and a minimum of a 60 day notification to the certificate holder. Implementation will be no earlier than April 1, 2016.

22. Summary of Appendices

Appendix A contains information that is specific to the state in which this filing is made. Examples of some items include are the requested rate increase, the average annual premium, demonstration of meeting required minimum loss ratio standards, the number of policyholders inforce, etc.

Appendix B contains historical and projected nationwide experience for all policies issued under this form. The appendix also includes the projected lifetime loss ratios both without and with the proposed increase.

Appendix C contains three exhibits that show our actual to expected lapse, mortality and morbidity experience.

Appendix D contains a breakdown of our current persistency assumptions.

Appendix E contains the distribution of the inforce policies by key demographic and benefit characteristics.

**Actuarial Memorandum Supporting Rate Revisions for
The Prudential Insurance Company of American
Individual Long-Term Care Insurance Product
January 5, 2016**

Appendix F contains the premium rate pages associated with this filing.

Appendix G contains the same information as Appendix B except it contains only state specific experience and projections.

23. Relationship of Renewal Premium to New Business Premium.

Prudential is no longer selling any new Long-Term Care business. Therefore, the comparison of renewal premium rates after the rate increase to the Company's current new business premium rate schedule is not applicable.

24. Actuarial Certification

I am a member of the American Academy of Actuaries. I meet the Academy's qualification standards for rendering this opinion and am familiar with the requirements for filing rate increases for long term care insurance premiums.

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, with the exception that Prudential is not currently providing a certification that no future increases are anticipated under moderately adverse experience.

The policy design and coverages, the underwriting used at the time of issue, and the claim adjudication process were all considered when setting the actuarial assumptions.

In forming my opinion, I have used actuarial assumptions and actuarial methods as I considered necessary. I have relied on projection information provided by Dan Nitz, FSA, MAAA. He is an Actuary at Milliman who used data and assumptions that were developed and supplied by Prudential in developing these projections. The pricing assumptions are consistent with Prudential's best estimates at the time of this filing and do not include a margin for adverse experience.

The premium rates are not excessive or unfairly discriminatory. Prudential may need to file for additional in-force premium increases on these forms in the future.

Actuarial Memorandum Supporting Rate Revisions for
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January 5, 2016

A handwritten signature in blue ink that reads "Ritu Jain". The signature is written in a cursive style and is underlined with a single horizontal line.

Ritu Jain, ASA, MAAA
Associate Actuary
Prudential Long Term Care
January 5, 2016

Appendix A
The Prudential Insurance Company of America
ILTC1

Pennsylvania

Requested Rate Increase for Cash / Unlimited BP Policies = 29.2%
Requested Rate Increase for Cash / Limited BP Policies = 20.9%
Requested Rate Increase for Reimbursement / Unlimited BP Policies = 25.1%
Requested Rate Increase for Reimbursement / Limited BP Policies = 12.6%

10 Average Annual Premium

	Pennsylvania	Nationwide
Without Increase	\$2,732	\$2,488
With Increase	\$3,221	\$3,011

15 Satisfaction of Loss Ratio Requirements

Pre-Rate Stability Requirement:

1) Expected Lifetime Loss Ratio with Rate Increase	137%
2) Minimum Required Loss Ratio	60%
Is 1 greater than 2?	Yes

Rate Stability Requirement

1) Total Incurred Claims		2,817,868,906
58% of initial premium	856,170,230	
85% of increased premium	491,754,108	
2) Sum of 58%/85% Premium		1,347,924,338
Is 1 greater than 2?		Yes

18 Lifetime Loss Ratio

Policy type	Without Increase	With Increase
All	149%	137%
Cash / Unlimited	248%	219%
Cash / Limited	143%	133%
Reimbursement / Unlimited	132%	120%
Reimbursement / Limited	91%	87%

19 History of Rate Adjustments

Cash Policies:

14% Implemented on 10/1/2009
14% Implemented on 10/1/2010
14% Implemented on 4/25/2012
14% Implemented on 4/25/2013
20% Implemented on 5/1/2014

Reimbursement Policies:

9% Implemented on 10/1/2009
9% Implemented on 10/1/2010
8.2% Implemented on 4/25/2012
8.2% Implemented on 4/25/2013
20% Implemented on 5/1/2014

20 Number of Policyholders and Annualized Premium as of June 30, 2015

Policy Type	Pennsylvania	Nationwide
All	2,495	24,557
Cash / Unlimited	157	4,894
Cash / Limited	198	2,990
Reimbursement / Unlimited	548	6,503
Reimbursement / Limited	1,592	10,170

Policy Type	Pennsylvania	Nationwide
All	\$6,817,009	\$61,100,091
Cash / Unlimited	\$641,175	\$14,794,064
Cash / Limited	\$587,653	\$7,734,696
Reimbursement / Unlimited	\$1,632,211	\$16,282,602
Reimbursement / Limited	\$3,955,970	\$22,288,730

Appendix B
The Prudential Insurance Company of America
Historical and Projected Experience
Nationwide Experience
Pennsylvania Rate Basis
ILTC1

Historical

Calendar Year	Earned Premium	Paid Claims	Claim Reserve	Incurred Claims	Incurred Ratio
1999	475,419	0	0	0	0%
2000	7,398,762	53,641	0	53,641	1%
2001	19,078,637	1,001,183	0	1,001,183	5%
2002	36,819,195	3,915,058	484,056	4,399,114	12%
2003	59,262,994	6,054,623	577,091	6,631,714	11%
2004	65,977,799	8,622,611	249,135	8,871,747	13%
2005	63,562,504	10,359,906	1,152,157	11,512,063	18%
2006	61,848,346	13,228,559	509,798	13,738,357	22%
2007	60,426,389	19,452,117	2,531,335	21,983,452	36%
2008	58,586,772	24,159,206	3,206,868	27,366,074	47%
2009	57,548,180	25,529,327	3,839,261	29,368,588	51%
2010	63,354,160	21,999,248	7,202,028	29,201,276	46%
2011	64,108,560	22,349,781	10,588,830	32,938,611	51%
2012	62,622,304	23,015,403	20,496,655	43,512,058	69%
2013	63,768,109	16,205,978	20,768,252	36,974,230	58%
2014	70,295,440	8,221,327	37,323,029	45,544,356	65%
2015*	36,897,654	348,664	27,431,109	27,779,773	75%
Active Life Reserve Balance as of 06/30/2015:			955,177,153		

Projections without Requested Rate Increase

Calendar Year	Earned Premium	Incurred Claims	Incurred Ratio
2015**	37,445,618	27,002,173	72%
2016	72,850,439	56,738,660	78%
2017	70,087,002	61,740,467	88%
2018	67,287,762	67,256,319	100%
2019	64,468,924	73,098,479	113%
2020	61,686,291	79,251,189	128%
2021	58,870,987	85,704,932	146%
2022	56,085,340	92,432,438	165%
2023	53,354,559	99,547,999	187%
2024	50,686,738	107,048,351	211%
2025	48,050,706	114,730,705	239%
2026	45,442,045	122,394,500	269%
2027	42,868,059	129,986,129	303%
2028	40,336,494	137,512,668	341%
2029	37,853,764	144,933,117	383%
2030	35,426,024	152,039,434	429%
2031	33,059,288	158,628,822	480%
2032	30,758,712	164,592,733	535%
2033	28,528,988	170,071,770	596%
2034	26,375,164	175,225,533	664%
2035	24,302,407	179,828,636	740%
2036	22,310,636	184,252,056	826%
2037	20,399,750	188,036,316	922%
2038	18,574,015	190,480,074	1026%
2039	16,837,916	191,715,918	1139%
2040	15,195,900	191,757,957	1262%
2041	13,651,370	190,324,020	1394%
2042	12,206,286	187,330,329	1535%
2043	10,861,276	182,862,608	1684%
2044	9,616,652	177,364,803	1844%
2045	8,472,470	171,034,445	2019%
2046	7,427,591	163,955,729	2207%
2047	6,479,323	156,153,152	2410%
2048	5,623,845	147,773,016	2628%
2049	4,856,922	139,159,082	2865%
2050	4,174,075	130,582,360	3128%
2051	3,570,261	122,386,668	3428%
2052	3,039,855	115,049,700	3785%
2053	2,577,007	109,501,543	4249%
2054 and later	12,677,219	1,204,891,834	9504%

* Historical 2015 Experience - 1/1/2015 through 6/30/2015

** Projected 2015 Experience - 7/1/2015 through 12/31/2015

Projections with Requested Rate Increase

Calendar Year	Earned Premium	Incurred Claims	Incurred Ratio
2015**	37,445,618	27,002,173	72%
2016	80,241,689	56,338,893	70%
2017	82,575,055	60,884,094	74%
2018	79,415,470	66,254,091	83%
2019	76,135,640	71,944,554	94%
2020	72,895,107	77,933,287	107%
2021	69,614,152	84,209,334	121%
2022	66,365,169	90,746,144	137%
2023	63,178,165	97,656,378	155%
2024	60,062,555	104,936,656	175%
2025	56,980,828	112,388,195	197%
2026	53,927,811	119,815,052	222%
2027	50,912,153	127,165,163	250%
2028	47,943,012	134,446,875	280%
2029	45,027,964	141,620,735	315%
2030	42,174,291	148,483,638	352%
2031	39,389,156	154,838,589	393%
2032	36,678,786	160,580,649	438%
2033	34,048,882	165,848,734	487%
2034	31,505,581	170,799,627	542%
2035	29,055,129	175,214,420	603%
2036	26,697,595	179,454,645	672%
2037	24,433,064	183,073,208	749%
2038	22,266,823	185,388,378	833%
2039	20,204,432	186,530,467	923%
2040	18,251,384	186,514,378	1022%
2041	16,411,977	185,066,658	1128%
2042	14,688,840	182,106,456	1240%
2043	13,083,037	177,718,100	1358%
2044	11,595,257	172,333,218	1486%
2045	10,225,832	166,144,122	1625%
2046	8,973,675	159,232,930	1774%
2047	7,835,867	151,623,354	1935%
2048	6,808,122	143,457,760	2107%
2049	5,885,639	135,069,742	2295%
2050	5,063,268	126,722,066	2503%
2051	4,335,156	118,747,915	2739%
2052	3,694,740	111,610,019	3021%
2053	3,135,161	106,209,777	3388%
2054 and later	15,487,250	1,167,560,192	7539%

Loss Ratio Summaries

Accumulated Value of Historical to 6/30/2015	1,161,930,569	421,824,521	36%	1,161,930,569	421,824,521	36%
Present Value of Future to 6/30/2015	763,484,627	2,453,589,356	321%	892,759,244	2,396,044,385	268%
Total Values (Discounted at 4.5%)	1,925,415,197	2,875,413,877	149%	2,054,689,813	2,817,868,906	137%
Projected Loss Ratio without Rate Increase				Projected Loss Ratio with Rate Increase		
Overall		149%		Overall		137%
Cash / Unlimited BP Policies		248%		Cash / Unlimited BP Policies		219%
Cash / Limited BP Policies		143%		Cash / Limited BP Policies		133%
Reimbursement / Unlimited BP Policies		132%		Reimbursement / Unlimited BP Policies		120%
Reimbursement / Limited BP Policies		91%		Reimbursement / Limited BP Policies		87%
Minimum Lifetime Loss Ratio		60%				

Appendix G
The Prudential Insurance Company of America
Historical and Projected Experience
Pennsylvania Experience
ILTC1

Historical

Calendar Year	Earned Premium	Paid Claims	Claim Reserve	Incurred Claims	Incurred Ratio
1999	35,691	0	0	0	0%
2000	922,945	0	0	0	0%
2001	2,347,556	0	0	0	0%
2002	4,043,428	376,638	0	376,638	9%
2003	5,887,239	580,411	0	580,411	10%
2004	7,076,872	288,580	0	288,580	4%
2005	6,908,593	575,296	0	575,296	8%
2006	6,698,783	1,868,708	0	1,868,708	28%
2007	6,500,056	2,153,806	0	2,153,806	33%
2008	6,269,798	1,587,446	0	1,587,446	25%
2009	6,143,883	2,258,928	262,999	2,521,926	41%
2010	6,020,642	2,127,686	377,908	2,505,594	42%
2011	6,228,581	2,370,779	710,141	3,080,921	49%
2012	5,968,615	2,492,238	2,022,125	4,514,363	76%
2013	5,824,486	1,360,487	1,783,903	3,144,390	54%
2014	6,104,896	568,363	2,477,478	3,045,841	50%
2015*	3,106,479	12,581	1,667,895	1,680,476	54%
Active Life Reserve Balance as of 06/30/2015:			73,954,504		

Projections without Requested Rate Increase

Calendar Year	Earned Premium	Incurred Claims	Incurred Ratio
2015**	3,282,531	2,311,059	70%
2016	6,350,453	4,813,820	76%
2017	6,059,795	5,159,579	85%
2018	5,767,455	5,527,709	96%
2019	5,475,502	5,900,842	108%
2020	5,185,975	6,276,699	121%
2021	4,900,972	6,654,734	136%
2022	4,621,997	7,035,961	152%
2023	4,351,015	7,428,083	171%
2024	4,088,731	7,835,680	192%
2025	3,834,260	8,241,732	215%
2026	3,586,656	8,635,497	241%
2027	3,346,444	9,022,524	270%
2028	3,114,231	9,395,470	302%
2029	2,890,417	9,749,596	337%
2030	2,675,312	10,069,978	376%
2031	2,469,158	10,352,615	419%
2032	2,272,064	10,583,616	466%
2033	2,084,137	10,774,208	517%
2034	1,905,511	10,934,766	574%
2035	1,736,271	11,063,100	637%
2036	1,576,103	11,184,401	710%
2037	1,424,730	11,275,962	791%
2038	1,282,304	11,291,879	881%
2039	1,148,966	11,251,489	979%
2040	1,024,777	11,153,166	1088%
2041	909,710	10,973,900	1206%
2042	803,635	10,699,825	1331%
2043	706,392	10,350,281	1465%
2044	617,796	9,937,916	1609%
2045	537,593	9,473,914	1762%
2046	465,446	8,971,869	1928%
2047	400,942	8,428,273	2102%
2048	343,626	7,857,899	2287%
2049	293,048	7,279,955	2484%
2050	248,716	6,721,181	2702%
2051	210,139	6,191,633	2946%
2052	176,794	5,710,910	3230%
2053	148,169	5,317,505	3589%
2054 and later	696,300	51,672,835	7421%

* Historical 2015 Experience - 1/1/2015 through 6/30/2015

** Projected 2015 Experience - 7/1/2015 through 12/31/2015

Projections with Requested Rate Increase

Calendar Year	Earned Premium	Incurred Claims	Incurred Ratio
2015**	3,282,531	2,311,059	70%
2016	6,884,543	4,779,166	69%
2017	6,956,682	5,088,703	73%
2018	6,632,092	5,446,947	82%
2019	6,300,887	5,810,272	92%
2020	5,972,195	6,175,858	103%
2021	5,648,399	6,543,121	116%
2022	5,331,207	6,913,096	130%
2023	5,022,867	7,293,439	145%
2024	4,724,188	7,688,634	163%
2025	4,434,110	8,081,978	182%
2026	4,151,544	8,462,992	204%
2027	3,877,098	8,837,168	228%
2028	3,611,479	9,197,342	255%
2029	3,355,158	9,538,918	284%
2030	3,108,503	9,847,315	317%
2031	2,871,811	10,118,692	352%
2032	2,645,232	10,339,548	391%
2033	2,428,916	10,520,929	433%
2034	2,223,040	10,673,064	480%
2035	2,027,729	10,793,853	532%
2036	1,842,642	10,907,914	592%
2037	1,667,489	10,993,099	659%
2038	1,502,472	11,004,728	732%
2039	1,347,778	10,961,679	813%
2040	1,203,506	10,862,407	903%
2041	1,069,650	10,684,599	999%
2042	946,089	10,414,825	1101%
2043	832,661	10,071,892	1210%
2044	729,177	9,668,120	1326%
2045	635,366	9,214,393	1450%
2046	550,855	8,723,944	1584%
2047	475,184	8,193,410	1724%
2048	407,845	7,637,141	1873%
2049	348,329	7,073,845	2031%
2050	296,080	6,529,484	2205%
2051	250,537	6,013,759	2400%
2052	211,102	5,545,657	2627%
2053	177,187	5,162,478	2914%
2054 and later	837,923	50,101,554	5979%

Loss Ratio Summaries

Accumulated Value of Historical to 6/30/2015	118,923,920	34,561,874	29%	118,923,920	34,561,874	29%
Present Value of Future to 6/30/2015	61,844,764	158,405,813	256%	70,560,019	154,988,681	220%
Total Values (Discounted at 4.5%)	180,768,684	192,967,687	107%	189,483,938	189,550,555	100%
Projected Loss Ratio without Rate Increase				Projected Loss Ratio with Rate Increase		
Overall		107%		Overall		100%
Cash / Unlimited BP Policies		207%		Cash / Unlimited BP Policies		186%
Cash / Limited BP Policies		114%		Cash / Limited BP Policies		107%
Reimbursement / Unlimited BP Policies		121%		Reimbursement / Unlimited BP Policies		110%
Reimbursement / Limited BP Policies		82%		Reimbursement / Limited BP Policies		78%

Appendix C
The Prudential Insurance Company of America
Description of Experience Analysis and Assumption Setting

Mortality Study

A mortality study was conducted on the Company's actual experience on its entire block of long term care business. In general, the best estimate mortality assumptions are based on a steepened version of the Annuity 2000 Basic table with mortality selection factors and mortality improvement. Actual deaths were determined by comparing insureds against the Social Security Administration's Death Master File (DMF). A terminated policy is considered a death if it matched the DMF or was coded as "Death" in the administrative system. Otherwise, the terminated policy is considered a voluntary lapse (if it did not exhaust benefits).

The future expected mortality assumptions were developed based on the historical actual experience and judgment. Based on our analysis, the Annuity 2000 table matched actual experience the closest, with some adjustments. First, a steepened mortality table matches the experience better. The mortality was lowered by 10% for ages less than 60 and raised the mortality 10% for ages above 100 (grading from 90% to 100% from age 60 to age 70 and then from 100% to 110% from age 90 to age 100). Second, mortality selection factors were developed by issue age and duration. Lastly, mortality improvement of 0.6% per year from 2000 through 2035 was assumed.

Exhibit 1 contains the comparison of actual experience through June 30, 2015 to the current mortality assumptions. The Exhibit shows total lives, total terminations (both voluntary lapse and actual deaths), actual deaths, expected deaths and the resulting mortality rates. Experience is shown by policy duration and attained age. Since the current mortality assumptions reasonably match the historical actual experience, the assumptions are reasonable to use to project the inforce into the future.

Voluntary Lapse Study

A voluntary lapse study was also conducted on the Company's actual experience. Voluntary lapse rates were calculated based on two approaches. First, "actual lapses" were determined by subtracting actual deaths and actual benefit exhausts from total terminations. Second, "implied lapses" were determined by subtracting expected deaths, using the mortality assumptions discussed above, and actual exhausts from total terminations. To the extent that the actual deaths are understated (due to underreporting of deaths or incorrect coding of social security numbers), actual mortality will increase while actual lapses will decrease. The total termination rates will not change.

The future expected voluntary lapse assumptions were developed based on the historical actual

experience and judgment. The expected lapse rates vary by policy duration and select business segments.

Exhibit 2 contains the comparison of actual lapse experience through June 30, 2015 to the current assumptions. The Exhibit shows total lives, total terminations (both voluntary lapse and actual deaths) and actual mortality rate. The voluntary lapse rates are shown as described above, as either “actual lapses” or “implied lapses.” Since the current voluntary lapse assumptions reasonably match the historical actual experience, the assumptions are reasonable to use to project the inforce into the future.

Appendix D contains a comparison of the actual total termination rates to both the original pricing assumptions and current assumptions.

Morbidity Study

A morbidity study was also conducted on the Company’s nationwide actual experience. The approach used to develop best estimate morbidity assumptions was to start with a set of baseline expected claims and review the experience along several key demographic and benefit characteristics. The primary focus of developing the fitting factors was to match historical incurred claims to expected incurred claims.

A claim is defined as an episode of care that is not separated by more than 180 calendar days. Actual claim incidence was determined by counting each claim. Actual incurred claims are based on paid claims and remaining claim reserves discounted (using an interest rate of 4.0% for this experience study) back to the claim incurred date. The claim reserves were discounted from valuation date to the claim incurred date using a 4.0% discount rate and excludes any waiver of premium load, LAE load and explicit margin. The IBNR was allocated across the most recent incurred year of expected claims. Actual incurred claims are calculated by adding together the present value of paid claims and claim reserves. Actual average claim severity was calculated by dividing actual incurred claims by the count of claims. In the morbidity study, waiver of premium was excluded from both the actual claims and expected claims.

The baseline expected incurred claims were developed from Milliman’s 2011 LTC Guidelines (*Guidelines*). Given the large size of the data supporting the *Guidelines*, it was viewed as a credible starting point for the analysis. Included in the baseline, was a 1% per year morbidity improvement in the historical expected claims, with 2011 as the assumed base year. This morbidity improvement is assumed to continue until 2035. Also, a composite factor was developed for the business based on the distribution by state and the area adjustment factors from the *Guidelines*.

The process of developing fitting factors, starting with the baseline expected, generally followed the following steps:

- Review experience by issue year and product to determine if the baseline selection factors used are appropriate
- Review experience by issue age, gender, marital status and / or underwriting type
- Review experience by key benefit and demographic characteristics

It should be noted that many of the factors are related to each other. So, some fitting did involve cycling back to prior steps. Also, the credibility of each specific segment was considered, along with judgment in setting the specific fitting factors.

Exhibit 3 contains the comparison of actual claim experience through June 30, 2015 to the current assumptions by calendar year, policy duration and attained age.

Appendix C
Exhibit 1
The Prudential Insurance Company of America
Mortality Study
Experience by Policy Duration
ILTC1

Policy Duration	Total Lives	Total Terminations	Actual Deaths	Expected Deaths	Mortality Rate		A:E
					Actual	Expected	
1 - 3	108,695	5,353	312	279	0.29%	0.26%	112%
4 - 6	96,533	2,473	518	519	0.54%	0.54%	100%
7 - 9	88,763	2,762	691	758	0.78%	0.85%	91%
10+	92,853	3,008	1,280	1,290	1.38%	1.39%	99%
Total	386,844	13,596	2,801	2,846	0.72%	0.74%	98%

Notes:

- 1) Experience is through June 30, 2015.
- 2) Expected Mortality Rate is based on the current assumption and uses the Annuity 2000 Table, with mortality selection factors, attained age factors, and 0.6% improvement per year from year 2000.
- 3) Total Terminations include Actual Deaths, Actual Lapses, and Actual Benefit Exhausts

Appendix C
Exhibit 1
The Prudential Insurance Company of America
Mortality Study
Experience by Attained Age
ILTC1

Attained Age	Total Lives	Total Terminations	Actual Deaths	Expected Deaths	Mortality Rate		A:E
					Actual	Expected	
<50	35,526	1,774	19	20	0.05%	0.06%	95%
50-54	37,676	1,258	45	46	0.12%	0.12%	98%
55-59	60,764	1,684	107	120	0.18%	0.20%	89%
60-64	74,929	2,017	239	241	0.32%	0.32%	99%
65-69	72,108	2,025	409	413	0.57%	0.57%	99%
70-74	55,304	1,922	540	573	0.98%	1.04%	94%
75-79	32,186	1,439	595	615	1.85%	1.91%	97%
80-84	13,923	1,002	552	498	3.96%	3.57%	111%
85-89	3,861	371	232	254	6.01%	6.57%	92%
90+	567	104	63	67	11.11%	11.87%	94%
Total	386,844	13,596	2,801	2,846	0.72%	0.74%	98%

Notes:

- 1) Experience is through June 30, 2015.
- 2) Expected Mortality Rate is based on the current assumption and uses the Annuity 2000 Table, with mortality selection factors, attained age factors, and 0.6% improvement per year from year 2000.
- 3) Total Terminations include Actual Deaths, Actual Lapses, and Actual Benefit Exhausts

Appendix C
Exhibit 2
Voluntary Lapse Study
The Prudential Insurance Company of America
Experience by Policy Duration
ILTC1

Policy Duration	Total Lives	Total Terminations		Mortality Rate		Voluntary Lapse Rate		
		Count	Rate	Actual	Expected	Actual	Implied	"Current"
1	38,421	2,452	6.38%	0.17%	0.17%	6.2%	6.2%	5.4%
2	35,969	1,664	4.63%	0.29%	0.25%	4.3%	4.4%	3.9%
3	34,305	1,237	3.61%	0.42%	0.36%	3.2%	3.2%	3.5%
4	33,060	898	2.72%	0.44%	0.44%	2.3%	2.3%	2.9%
5	32,144	800	2.49%	0.60%	0.54%	1.9%	1.9%	2.3%
6	31,329	775	2.47%	0.57%	0.64%	1.9%	1.8%	1.9%
7	30,541	964	3.16%	0.65%	0.74%	2.4%	2.3%	1.9%
8	29,564	893	3.02%	0.82%	0.86%	2.1%	2.1%	1.6%
9	28,658	905	3.16%	0.87%	0.97%	2.2%	2.1%	1.3%
10	27,709	915	3.30%	1.09%	1.11%	2.1%	2.1%	1.2%
11	26,457	757	2.86%	1.30%	1.25%	1.4%	1.5%	1.2%
12	21,679	692	3.19%	1.45%	1.45%	1.6%	1.6%	1.2%
13	10,774	397	3.68%	1.66%	1.83%	1.9%	1.7%	1.2%
14	4,671	181	3.88%	2.21%	2.17%	1.5%	1.5%	1.2%
15	1,541	66	4.28%	2.40%	2.54%	1.7%	1.5%	1.2%
16	21	0	0.00%	0.00%	3.58%	0.0%	-3.6%	1.2%
Total	386,844	13,596	3.51%	0.72%	0.74%			

Notes:

- 1) Experience is through June 30, 2015, and only includes lifetime pay policies (excludes limited pay policies).
- 2) Expected Mortality Rate is based on the current assumption and uses the Annuity 2000 Table, with mortality selection factors, attained age factors, and 0.6% improvement per year from year 2000.
- 3) Actual Voluntary Lapse Rate is the Total Termination Rate minus the Actual Mortality Rate minus the Actual Benefit Exhaust Rate.
Benefit Exhausts are included in the Total Terminations listed above but excluded from the Actual Voluntary Lapse Rates.
- 4) Implied Voluntary Lapse Rate is the Total Termination Rate minus the Expected Mortality Rate minus the Actual Benefit Exhaust Rate.
- 5) Current Voluntary Lapse Rate is the current projection assumption.
The ultimate lapse rates vary between 0.5% to 2.5% depending on inflation and marital status.
The current lapse rates do not include shock lapse assumptions.

Appendix C
Exhibit 3
The Prudential Insurance Company of America
Claim Study
Experience by Calendar Year
ILTC1

Calendar Year	Total Lives	Actual Claims					Expected Claims			Actual to Expected		
		Count	Paid	Reserve	Severity	Incurred	Count	Severity	Incurred	Incidence	Severity	Incurred
1999	422	0	-	-	-	-	1	63,904	63,729	0%	0%	0%
2000	3,675	2	51,578	-	25,789	51,578	8	67,974	572,938	24%	38%	9%
2001	9,329	23	962,676	-	41,855	962,676	24	72,574	1,771,742	94%	58%	54%
2002	18,345	47	3,764,479	465,438	89,998	4,229,917	49	81,347	4,020,291	95%	111%	105%
2003	30,831	60	5,821,753	554,895	106,277	6,376,648	82	89,715	7,331,986	73%	118%	87%
2004	33,913	97	8,290,972	239,553	87,944	8,530,526	110	95,796	10,506,163	88%	92%	81%
2005	32,870	117	9,961,448	1,107,843	94,609	11,069,291	131	101,274	13,299,120	89%	93%	83%
2006	31,904	155	12,719,768	490,191	85,226	13,209,958	152	106,830	16,291,206	102%	80%	81%
2007	31,074	209	18,703,959	2,433,976	101,138	21,137,935	174	112,461	19,559,559	120%	90%	108%
2008	30,240	220	23,230,006	3,083,527	119,607	26,313,533	196	118,315	23,191,734	112%	101%	113%
2009	29,207	249	24,547,430	3,691,597	113,410	28,239,027	217	124,398	26,940,022	115%	91%	105%
2010	27,948	247	21,153,123	6,925,027	113,677	28,078,150	234	126,403	29,539,450	106%	90%	95%
2011	27,000	271	21,490,174	10,181,567	116,870	31,671,742	252	133,075	33,554,429	107%	88%	94%
2012	26,007	303	22,130,195	19,708,322	138,081	41,838,517	252	140,939	35,584,428	120%	98%	118%
2013	24,974	296	15,582,671	19,969,473	120,109	35,552,144	263	148,820	39,201,647	112%	81%	91%
2014	23,972	325	7,905,122	35,887,528	134,747	43,792,650	274	157,532	43,188,330	119%	86%	101%
2015	11,616	204	335,254	26,376,066	130,938	26,711,320	144	159,106	22,948,925	141%	82%	116%
Total	393,328	2,825	196,650,607	131,115,004	116,023	327,765,611	2,565	127,701	327,565,699	110%	91%	100%

Notes:

- 1) Experience is through June 30, 2015.
- 2) Paid claims represent the present value of paid claims discounted to the claim incurred date.
- 3) Reserve amounts represent the present value of the remaining claim reserve (including IBNR) discounted to the claim incurred date.
- 4) Severity is defined as incurred claims divided by the count of claims.
- 5) Expected Claims are the current best estimate assumptions used in the projections and are based on the Milliman 2011 Long-Term Care Guidelines including fitting factors.
- 6) Claim dollar amounts are discounted using a 4.5% interest rate (both actual and expected).
- 7) This exhibit excludes waiver of premium and return of premium benefits in both actual and expected results.

Appendix C
Exhibit 3
The Prudential Insurance Company of America
Claim Study
Experience by Policy Duration
ILTC1

Policy Duration	Total Lives	Actual Claims					Expected Claims			Actual to Expected		
		Count	Paid	Reserve	Severity	Incurred	Count	Severity	Incurred	Incidence	Severity	Incurred
1 - 3	106,933	203	17,787,219	1,731,400	96,151	19,518,618	266	92,664	24,637,179	76%	104%	79%
4 - 6	95,108	483	43,568,980	5,295,428	101,169	48,864,408	460	109,852	50,522,435	105%	92%	97%
7 - 9	86,553	746	68,680,773	15,828,323	113,283	84,509,096	655	124,972	81,911,127	114%	91%	103%
10 - 12	76,384	879	54,609,113	56,206,398	126,070	110,815,511	773	143,329	110,752,159	114%	88%	100%
13 - 15	27,548	487	11,923,579	49,541,020	126,211	61,464,599	394	145,702	57,405,178	124%	87%	107%
16 - 17	802	27	80,943	2,512,436	96,051	2,593,379	17	136,094	2,337,622	157%	71%	111%
Total	393,328	2,825	196,650,607	131,115,004	116,023	327,765,611	2,565	127,701	327,565,699	110%	91%	100%

Notes:

- 1) Experience is through June 30, 2015.
- 2) Paid claims represent the present value of paid claims discounted to the claim incurred date.
- 3) Reserve amounts represent the present value of the remaining claim reserve (including IBNR) discounted to the claim incurred date.
- 4) Severity is defined as incurred claims divided by the count of claims.
- 5) Expected Claims are the current best estimate assumptions used in the projections and are based on the Milliman 2011 Long-Term Care Guidelines including fitting factors.
- 6) Claim dollar amounts are discounted using a 4.5% interest rate (both actual and expected).
- 7) This exhibit excludes waiver of premium and return of premium benefits in both actual and expected results.

Appendix C
Exhibit 3
The Prudential Insurance Company of America
Claim Study
Experience by Attained Age
ILTC1

Attained Age	Total Lives	Count	Actual Claims			Expected Claims			Actual to Expected			
			Paid	Reserve	Severity	Incurred	Count	Severity	Incurred	Incidence	Severity	Incurred
<=59	134,282	145	17,381,766	12,425,051	205,564	29,806,817	93	265,275	24,731,385	156%	77%	121%
60-64	76,444	146	12,743,258	8,983,897	148,816	21,727,154	138	208,997	28,850,349	106%	71%	75%
65-69	74,537	265	20,971,810	16,274,647	140,553	37,246,457	270	161,444	43,612,457	98%	87%	85%
70-74	57,333	455	38,231,822	26,007,969	141,186	64,239,791	471	141,106	66,403,248	97%	100%	97%
75-79	33,243	694	47,380,353	28,225,197	108,942	75,605,550	649	119,142	77,370,012	107%	91%	98%
80-84	13,615	658	39,528,442	22,774,315	94,685	62,302,757	571	100,130	57,170,719	115%	95%	109%
85-89	3,464	365	17,664,608	13,665,913	85,837	31,330,521	312	81,731	25,462,445	117%	105%	123%
90+	411	97	2,748,550	2,758,016	127,525	5,506,565	61	64,786	3,965,083	158%	197%	139%
Total	393,328	2,825	196,650,607	131,115,004	116,023	327,765,611	2,565	127,701	327,565,699	110%	91%	100%

Notes:

- 1) Experience is through June 30, 2015.
- 2) Paid claims represent the present value of paid claims discounted to the claim incurred date.
- 3) Reserve amounts represent the present value of the remaining claim reserve (including IBNR) discounted to the claim incurred date.
- 4) Severity is defined as incurred claims divided by the count of claims.
- 5) Expected Claims are the current best estimate assumptions used in the projections and are based on the Milliman 2011 Long-Term Care Guidelines including fitting factors.
- 6) Claim dollar amounts are discounted using a 4.5% interest rate (both actual and expected).
- 7) This exhibit excludes waiver of premium and return of premium benefits in both actual and expected results.

Appendix D
The Prudential Insurance Company of America
Policy Persistency Comparison
Nationwide Experience
ILTC1

Policy Duration	Total Lives	Actual Results		Original Pricing Assumptions			Current Assumptions		
		Total Terminations		Lapse	Mortality	Total Terminations	Lapse	Mortality	Total Terminations
1	38,421		6.4%	12.2%	0.9%	13.1%	5.4%	0.2%	5.5%
2	35,969		4.6%	10.2%	1.0%	11.1%	3.9%	0.3%	4.1%
3	34,305		3.6%	8.5%	1.1%	9.6%	3.5%	0.4%	3.8%
4	33,060		2.7%	7.3%	1.2%	8.5%	2.9%	0.4%	3.3%
5	32,144		2.5%	6.0%	1.3%	7.3%	2.3%	0.5%	2.8%
6	31,329		2.5%	5.7%	1.4%	7.1%	1.9%	0.6%	2.6%
7	30,541		3.2%	5.0%	1.5%	6.5%	1.9%	0.7%	2.6%
8	29,564		3.0%	5.0%	1.7%	6.6%	1.6%	0.9%	2.4%
9	28,658		3.2%	5.0%	1.9%	6.8%	1.3%	1.0%	2.3%
10	27,709		3.3%	5.0%	2.0%	7.0%	1.2%	1.1%	2.3%
11	26,457		2.9%	5.0%	2.2%	7.2%	1.2%	1.3%	2.4%
12	21,679		3.2%	5.0%	2.4%	7.4%	1.2%	1.4%	2.6%
13	10,774		3.7%	4.9%	2.9%	7.8%	1.2%	1.8%	3.0%
14	4,671		3.9%	4.8%	3.3%	8.2%	1.2%	2.2%	3.4%
15	1,541		4.3%	4.8%	3.7%	8.5%	1.2%	2.5%	3.8%
16	21		0.0%	4.7%	5.2%	9.9%	1.2%	3.6%	4.8%

- Notes:
- 1) The "Actual Results" are the historical total policy termination rates observed by the Company.
 - 2) The "Original Pricing Assumptions" are those assumptions originally used to price the product.
The mortality assumptions are based on the 1983 GAM Table.
The lapse assumptions vary by inflation type and issue age. The original ultimate lapse rate starting in duration 8 ranged from 4.0% to 6.0% (for lifetime pay).
 - 3) The "Current Assumptions" are those used in the projection for the current rate filing.
The mortality assumptions are based on the Annuity 2000 table, with selection factors, mortality attained age factors, and 0.6% mortality improvement per year (from year 2000)
The lapse assumptions vary by premium payment option, inflation and marital status. The current ultimate lapse rate starting in duration 21 ranges from 0.5% to 2.5%.
 - 4) Experience is through June 30, 2015 and only includes lifetime pay policies (excludes limited pay policies).

Appendix E
The Prudential Insurance Company of America
Distribution of Inforce Business as of June 30, 2015
ILTC1

	Count	% of Count	Premium	% of Premium
Attained Age				
<30	1	0.0%	997	0.0%
30-34	30	0.1%	32,005	0.1%
35-39	58	0.2%	59,789	0.1%
40-44	143	0.6%	138,254	0.2%
45-49	358	1.5%	434,938	0.7%
50-54	760	3.1%	1,163,970	1.9%
55-59	1,503	6.1%	2,681,818	4.4%
60-64	3,356	13.7%	6,514,566	10.7%
65-69	5,149	21.0%	11,394,739	18.6%
70-74	5,110	20.8%	12,942,261	21.2%
75-79	4,406	17.9%	12,337,596	20.2%
80+	3,683	15.0%	13,399,159	21.9%
Total	24,557	100.0%	61,100,091	100.0%

Average Attained Age 70.1

Gender

Male	10,141	41.3%	25,667,343	42.0%
Female	14,416	58.7%	35,432,749	58.0%
Total	24,557	100.0%	61,100,091	100.0%

Inflation Option

None	172	0.7%	371,881	0.6%
GPO	4,560	18.6%	13,132,624	21.5%
5% Simple Lifetime	5,662	23.1%	13,596,535	22.3%
5% Compound Lifetime	14,163	57.7%	33,999,051	55.6%
Total	24,557	100.0%	61,100,091	100.0%

Elimination Period

0-Day	3,438	14.0%	9,152,426	15.0%
30-Day	3,333	13.6%	8,640,822	14.1%
60-Day	3,572	14.5%	8,793,592	14.4%
100-Day	14,214	57.9%	34,513,252	56.5%
Total	24,557	100.0%	61,100,091	100.0%

Appendix E
The Prudential Insurance Company of America
Distribution of Inforce Business as of June 30, 2015
ILTC1

	Count	% of Count	Premium	% of Premium
Benefit Period*				
3 Years	5,145	21.0%	11,058,831	18.1%
5 Years	8,015	32.6%	18,964,594	31.0%
Lifetime	11,397	46.4%	31,076,666	50.9%
Total	24,557	100.0%	61,100,091	100.0%

*Benefit Period grouped to nearest primary election

Premium Period

Lifetime	24,557	100.0%	61,100,091	100.0%
Limited	0	0.0%	0	0.0%
Total	24,557	100.0%	61,100,091	100.0%

Home Health Reimbursement Level

50%	1,305	5.3%	2,867,685	4.7%
75%	2,488	10.1%	5,812,661	9.5%
100%	20,764	84.6%	52,419,745	85.8%
Total	24,557	100.0%	61,100,091	100.0%

Spousal Discount Status

Single	4,836	19.7%	14,182,828	23.2%
Married - 1 Buy	3,598	14.7%	9,824,492	16.1%
Married - 2 Buy	16,123	65.7%	37,092,772	60.7%
Total	24,557	100.0%	61,100,091	100.0%

Cash Benefit Option

Cash	7,884	32.1%	22,528,760	36.9%
Reimbursement	16,673	67.9%	38,571,332	63.1%
Total	24,557	100.0%	61,100,091	100.0%

Benefit Measure

Daily	4,983	20.3%	11,446,590	18.7%
Monthly	19,574	79.7%	49,653,501	81.3%
Total	24,557	100.0%	61,100,091	100.0%

Non-Forfeiture Option

Yes	502	2.0%	1,391,773	2.3%
No	24,055	98.0%	59,708,318	97.7%
Total	24,557	100.0%	61,100,091	100.0%