

Catholic Order of Foresters
Sept 28, 2021**SERFF #s:** UHAS-132946160**Filing Summary:**

Catholic Order of Foresters filed for a premium increase on individual long term care forms FCNH, FCLTC, and FCLTC 2000. These policies are individual LTC forms. They were issued from 1998 through 2004 and are no longer being marketed in any jurisdiction.

The company requested a level rate increase of 39.99% on all forms and riders.

Forms	SERFFF #	Company's Requested Increase	No. of Pennsylvania Policies
FCNH, FCLTC, FCLTC 2000	UHAS-132946160	39.99%	8 policies

The Department approved a 20% increase.

Effective date of rate change: 09/28/2021.

The current policies in place are not generating sufficient premium to pay future claims to policyholders. This is a common problem for a number of insurers nationwide because policyholders are keeping their policies longer than expected and are living longer than projected. As a result, policyholders are using more benefits on average than the company anticipated when the policies were originally sold. This means the company has to pay out more for benefits than it originally projected.

In making this decision, the Department considered the projected loss ratio for each block of policy forms, that is, the projected total amount of benefits paid out versus the total amount of premium collected, the reasonableness of the assumptions the company used in its projections, and the company's financial situation. The Department also considered the financial impact this rate increase would pose to consumers, the past rate increases policyholders have faced, and the availability of options to limit the rate increase by reducing benefits.

The company is offering ways for policyholders to limit the rate increase by reducing benefits. The company will let you know your options when they contact you directly about this premium increase.

This Rate Filing Decision Summary is a tool to help explain the rate filing and does not describe all the factors considered as part of the Department's rate review.