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**Actuarial Memorandum  
Policy Forms (Certificates):**

**Originally filed under Transamerica Life Insurance Company ("TLIC"):  
FTQ (MD) 197 as Flex 2 TQ Series,  
LTC 3 (MD) 1091 (REV92), LTC 3R (MD) 1091 (REV92) as LTC 3 / 4 Series,  
LTC 5 TQ (MD) 1096 as LTC 5 TQ Series,**

**Previously filed under Life Investors Insurance Company of America ("LIICA"):  
LI-LTCP (MD) 192 and LI-LTCP (MD2) 192 as Future Care 2 NTQ Series,  
LI-LTCP TQ (MD) 197 as Future Care 2 TQ Series,  
LI-LTCP TQ (MD) 600 as Future Care Pool TQ Series,**

**Previously filed under Bankers United Life Assurance Company ("BULAC"):  
GCPRO-III TQ LTC (MD) 497 and GCPRO-III TQ HHC (MD) 497 as Protector III TQ Series**

**Previously filed under Transamerica Occidental Life Insurance Company ("TOLIC"):  
LTC-104-194-MD, LTC-105-194-MD, LTC-106-194-MD as TransCare Companion Series,  
LTC 124-197-MD, LTC 125-197-MD, LTC 126-197-MD as TransCare TQ Series,  
LTC 304-198-MD, LTC 305-198-MD as TransGenerations Series**

**Long Term Care Coverage**

**Applicable to All Policies (and Certificates as Applicable) Regardless of Application or Issue Date**

**1) Scope and Purpose**

This filing is a request for a premium rate increase of 167% on the above-captioned policy forms (and certificates as applicable) and all associated riders regardless of application or issue date. The increase for any given policy or certificate holder would not become effective until all statutory requirements are satisfied, and if applicable, a period of one year has elapsed since the effective date of the previously approved rate increase. Even though the traditional NAIC method of determining premium rate increases indicates that the Company could request an increase of 1,228%, the Company has chosen to base its increase request on the "Blended If-Knew/Make-up" justification formula, also known as, "The Minnesota Method." The Minnesota Method is a hybrid of the traditional NAIC increase formula where the resulting justifiable increase is constrained to a lesser amount.

This premium rate increase is needed due to claim levels that produce lifetime loss ratios above the statutorily required minimum loss ratio. If the requested rate increase is approved and implemented as proposed, the company does not expect to request additional rate increases based on current expectations of future experience. However, if actual future experience were to deteriorate further, additional rate action may become necessary even if the requested rate increase is approved and implemented as proposed.

The purpose of this memorandum is to file revised premium rates in this state and demonstrate that the anticipated loss ratio meets the minimum requirements of this state. This memorandum is not to be used for other purposes.

## **Benefit Reduction and Cost Sharing Option (with Rate Guarantee)**

The Company would also like to make available to all policyholders a Benefit Reduction and Cost Sharing option to help the customer avoid some or all of the cost of the premium rate increase and receive a premium rate guarantee for a set number of years as outlined in Appendix A. The Company is filing a Benefit Reduction and Cost Sharing Endorsement that will be issued to the policyholder if they choose this option.

The Benefit Reduction and Cost Sharing option affects both:

- 1) The policy/certificate benefit limits available under the policy/certificate (by reducing all of the policy benefit limits available by the Cost Sharing Percentage), and
- 2) Amounts that the policyholder/certificate holder and the Company are responsible for with respect to each claim (by reducing the amounts that the Company will pay for claims by the Cost Sharing Percentage). If inflation protection coverage is included in the policy/certificate, all future benefit amount increases will be based on the new revised benefit amounts. The Benefit Reduction and Cost Sharing option also applies to all policy/certificate benefit provisions, including any benefit provision added by rider or endorsement. The Benefit Reduction and Cost Sharing option also applies to benefits for covered care or services received by another covered person who is covered under the policy/certificate.

Benefit Reduction and Cost Sharing percentages were determined to be actuarially equivalent to the requested rate increase – which includes the cost of the Rate Guarantee. Policyholders and certificate holders selecting the Benefit Reduction and Cost Sharing option will generally be able to completely or partially offset the requested rate increase and receive the Rate Guarantee. Some policyholders or certificate holders electing the Benefit Reduction and Cost Sharing option may not be able to completely offset the requested rate increase but would be able to mitigate it. The Benefit Reduction and Cost Sharing percentages are shown in Appendix A.

Policyholders who elect the Benefit Reduction and Cost Sharing Option may still be subject to future rate increases after the Rate Guarantee period has expired if additional rate increases become justified due to further deterioration of experience not currently anticipated.

### **Buyback Offer \***

This filing is also a request to allow the Company to offer policyholders the option to cancel their long-term care insurance policy in exchange for a one-time, lump-sum, policy cancellation payment in an amount to be determined based on the formula set forth below. The policyholder will be given the option to cancel their policy as an alternative to the premium increase.

The policy cancellation payment amount will be the greater of:

- x% of Transamerica's estimate of the value of the policy, and
- \$2,000

The Buyback will be offered to both premium paying policies as well as active paid-up policies that are not in Contingent Non-Forfeiture status.

More details about the buyback offer are displayed in Appendix B.

*\*Not available on referenced TOLIC policy form series. The exclusion is due to a reinsurance agreement on all TOLIC policy form series. The Buyback Offer *will be* available on all other referenced Non-TOLIC form series.*

## 2) Benefits \*

### Flex 2 TQ Series

#### A. Nursing Home Benefit

After satisfaction of the Nursing Home Elimination Period, the company will pay actual charges up to the Nursing Home Maximum Daily Benefit for each day during a Period of Confinement that an Insured Person requires Nursing Home Confinement. Benefits are payable up to the Nursing Home Lifetime Maximum Benefit. The confinement must be due to being Chronically Ill.

#### B. Home Health Care Optional Riders

*Rider Form(s): FHHRTQ (MD) 197 of Flex 2 TQ Series*

After satisfaction of the Home Health Care Elimination Period, the company will pay charges up to the Home Health Care Maximum Daily Benefit for each day Home Health Care or Adult Day Care services are provided. Benefits are payable up to the Home Health Care Lifetime Maximum Benefit amount.

#### C. Benefit Increase Option (BIO) Riders:

*Compound Increase Option Rider Form(s): CBIOR 196 Flex 2 TQ Series:*

This rider will increase the Nursing Home Benefit and, if applicable, the Maximum Skilled Home Health Care and Home Health Care Benefits by 5% of the current amount on each contract anniversary.

*Simple Increase Option Rider Form(s): SBIOR (MD) 196 Flex 2 TQ Series:*

This rider will increase the Nursing Home Benefit and, if applicable, the Maximum Skilled Home Health Care and Home Health Care Benefits by 5% of the original amount on each contract anniversary until the later of the 10<sup>th</sup> contract anniversary or attainment of age 85.

### LTC 3 / 4 Series

#### A. Nursing Home

Pays the maximum daily benefit for each day skilled, intermediate, or custodial care is provided up to the Lifetime Maximum Benefit Amount.

#### B. Home Health Care Benefit Rider - Forms: HHR 3 (MD) 1091 (REV92) & HHR 3 PLUS (MD) 0592 (REV92) :

Pays expenses incurred up to the maximum daily benefit for each day Home Health Care services are provided up to the Lifetime Maximum Benefit Amount. The Lifetime Maximum Benefit Amount is the same as for Convalescent Care.

#### C. Simple Benefit Increase Option (BIO) – Rider Form(s) SBIR(P) 3 (MD) 1091 :

Increases the benefit by 5% of the original amount on each anniversary for the latter of 10 years or attainment of age 85.

#### D. Compound Benefit Increase Option (BIO) – Rider Forms CBIR(P) 3 (MD) 1091 :

Increases the benefit by 5% of the current amount on each contract anniversary.

#### E. Return of Premium -

*Form LTC 3R (MD) 1091 (REV92):*

This benefit will be the sum of all premiums paid times the applicable percent as defined in the Contract Schedule less the amount of any claims paid for the contract payable upon: 1) voluntary lapse, 2) the death of a spouse, or 3) the death of the last spouse.

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\* This is not intended to be a comprehensive listing of all benefits available.

## **LTC 5 TQ Series**

### **A. *Nursing Home Benefit***

Pays the daily Nursing Home benefit for each day of confinement in a Nursing Home up to the Lifetime Maximum Benefit. For the LTC 5 TQ Series, the confinement must be due to being Chronically Ill.

Note: There are two sets of LTC 5 TQ rate sheets included with this memorandum. The first set corresponds to the originally-filed LTC 5 TQ. At the time, standard rates (previously referred to as Select) were the basis for calculating rates of other risk classes and therefore standard rates are displayed. The second set corresponds to the same LTC 5 TQ rates as before but with enhanced benefit limits and options that were subsequently filed. In addition to the enhancements, the second set displays preferred rates because these became the new basis for calculating rates of other risk classes. The overall preferred and standard rates themselves did not change nor did the underwriting standards that classified applicants as preferred or standard. This note is applicable to the remaining LTC 5 TQ benefits described below as well.

### **B. *Home and Community Care Forms: LTC 5 TQ HCCR (MD) 1096 of the LTC 5 TQ Series:***

Pays expenses incurred up to the maximum daily benefit for each day Home Health Care, Assisted Living Facility, Adult Day Care, or Hospice services are provided up to the Lifetime Maximum Benefit Amount.

### **C. *Simple Benefit Increase Option (BIO) – Form: SBIOR TQ (MD) 1096***

Increases the benefit by 5% of the original amount on each anniversary for the latter of 10 years or attainment of age 85.

### **D. *Compound Benefit Increase Option (BIO) – Form(s): CBIOR TQ (GA) 1096 of the LTC 5 TQ Series***

Increases the benefit by 5% of the current amount on each contract anniversary.

## **Protector III TQ Series**

### **A. *Nursing Home***

Pays actual charges up to the Nursing Home Maximum Daily Benefit for each day of confinement required in a Nursing Home. Benefits are payable up to the Nursing Home Lifetime Maximum Benefit.

### **B. *Assisted Living Facility- Form (s): GCPRO-III TQ LTC (MD) 497***

Pays actual charges up to the Assisted Living Facility Maximum Daily Benefit for each day of confinement in an Assisted Living Facility.

### **C. *Home Health Care- Form (s): HHCR TQ (MD) 497***

Pays actual charges for each day Home Health Care Professional, Basic, or Adult Day Care service benefits are received up to the respective Maximum Daily Benefit corresponding to each type of service. Additional benefits are Hospice, Therapeutic Devices, Home Modifications, Medical Alert System, and Caregiver Training.

### **D. *Compound Benefit Increase Option (BIO) - Form: CBIOR TQ 497***

This benefit increases the Nursing Facility Benefit (and Home Health Care Benefits if selected) by 5% of the current amount on each contract anniversary.

### ***Simple Benefit Increase Option (BIO) - Form: SBIOR TQ 497***

This benefit increases the Nursing Facility Benefit (and Home Health Care Benefit if selected) by 5% of the original amount on each contract anniversary.

**E. PLUS Benefits- Form (s): NHPR TQ (MD) 497**

**Bed Reservation Benefit–**

During the elimination period, gives credit toward the elimination period for days Nursing Home room is reserved while insured is hospitalized. After satisfaction of the elimination period, pays for the reservation of Nursing Home room up to the Maximum Daily Benefit while insured is hospitalized. Limited to 21 calendar days per year.

**Ambulance Benefit-**

Pays actual charges up to \$250 for ambulance service to or from a Nursing Home up to 4 trips per year.

**Respite Care Benefit-**

Pays actual charges up to the Maximum Daily Benefit for each day confined in a Nursing Home up to 21 calendar days per year in order to provide a respite to a primary caregiver. This benefit is neither subject to nor satisfies the elimination period.

**Survivorship Waiver of Premium (Married Couples Only)-**

If a husband and wife both have a contract and one spouse dies while both contracts are still in force, then all of the survivor's remaining premiums will be waived following the later of: (a) the date of death, and (b), the tenth contract anniversary.

**F. Return of Premium - Form: ROPR TQ 497**

This benefit will be the sum of all premiums paid, except waived premiums, less the amount of any claims paid for the contract including this benefit and any other attached rider(s), from the effective date of this benefit up to the date of death.

**Future Care 2 NTQ Series**

**A. Nursing Home**

Pays a daily benefit for all levels of care, including custodial care, for each day benefits are payable. Benefits are payable up to the Nursing Home Lifetime Maximum Benefit.

**B. Home and Community Care Rider - Form (s): LI-LTCRN (MD) 192, LI-LTCRS (MD) 192, LI-LTCRC (MD) 192 and LI-LTCP (MD2) 192**

Pays actual charges up to the Home Health Care Maximum Daily Benefit that varies by type of service provided (professional, secondary, respite care, or non-professional). Benefits include Home Health, Adult Day Care, Respite Care, Equipment Purchases and Rentals, Assisted Living Facility, Bed Reservation, and Non-Professional. Some benefits under this rider are mutually exclusive with other contract benefits.

**C. Simple Benefit Increase Option (BIO) - Rider Form: LI-SBIR (MD) 192- Rider Form: LI-SBIR (MD) 192**

Increases benefits by 5% of the original amount on each anniversary of the contract.

**D. Compound Benefit Increase Option (BIO)- Rider Form: LI-CBIR (MD) 192**

Increases benefits by 5% of the current amount on each contract anniversary.

**Future Care 2 TQ Series**

**A. Nursing Home**

Pays the Nursing Home Daily Benefit for all levels of care for each day benefits are payable. Benefits are payable until the end of the Benefit Period has been reached.

**B. Home and Community Care Rider - Form: LI-LTCR TQ (MD) 197**

Pays actual charges up to the Home Health Care Maximum Daily Benefit that varies by type of service provided (professional, secondary, respite care, or non-professional). Benefits include Home Health, Adult Day Care, Respite Care, Equipment Purchases and Rentals, Assisted Living Facility (company pays the Assisted Living Facility Daily Benefit instead of actual charges), Bed Reservation, and Non-Professional.

**C. Simple Benefit Increase Option (BIO)- Rider Form: LI-SBIR TQ (MD) 197**

Increases benefits by 5% of the original amount on each anniversary of the contract.

**D. Compound Benefit Increase Option (BIO)- Rider Form: LI-CBIR TQ (MD) 197**

Increases benefits by 5% of the current amount on each contract anniversary.

**Future Care Pool TQ Series**

**A. Nursing Home Benefit**

Pays the Nursing Home Daily Benefit for all levels of care for each day benefits are payable. Benefits are payable until the Maximum Benefit is exhausted.

**B. Home Health Care Rider - Form (s): LI-HCR TQ (MD) 600**

Pays actual charges up to the Home Health Care Maximum Daily Benefit that varies by type of service provided (professional, secondary, respite care, or non-professional). Benefits include Home Health, Adult Day Care, Respite Care, Caregiver Training, Medical Alert System, Medication Management, Home Modification and Equipment, and Non-Professional.

**C. Assisted Living Facility**

Pays actual charges up to the Assisted Living Facility Daily Benefit for all levels of care for each day benefits are payable. Benefits are payable until the Maximum Benefit is exhausted.

**D. Simple Benefit Increase Option (BIO)- Rider Form: LI-SBIOR TQ (MD) 600**

Increases benefits by 5% of the original amount on each anniversary of the contract.

**E. Compound Benefit Increase Option (BIO)- Rider Form: LI-CBIOR TQ (MD) 600**

Increases benefits by 5% of the current amount on each contract anniversary.

**TransCare Companion and TransCare TQ Series**

**A. Nursing Home Benefit – Form(s): LTC-104-194-MD, LTC-105-194-MD, LTC 124-197-MD, LTC 125-197-MD**

After satisfaction of the Nursing Home Elimination Period, the company will pay actual charges up to the Nursing Home Maximum Daily Benefit for each day during a Period of required Nursing Home Confinement or Assisted Living Facility Confinement. Benefits are payable up to the Nursing Home Contract Maximum.

**B. Home Care Benefit – Form(s): LTC-104-194-MD, LTC 124-197-MD**

After satisfaction of the Home Care Elimination Period, the company will pay charges on a monthly basis up to 50% or 100% of the Nursing Home Maximum Daily Benefit multiplied by thirty for each month or prorated portion of a month Home Care is provided. Benefits are payable up to the Contract Maximum.

*C. Home Care Benefit – Form(s): LTC-106-194-MD, LTC 126-197-MD*

After satisfaction of the Elimination Period, the company will pay charges on a monthly basis up to the Maximum Monthly Benefit equal to the Maximum Daily Benefit multiplied by thirty for each month or prorated portion of a month Home Care is provided. Benefits are payable up to the Contract Maximum.

*D. Simple Benefit Increase Rider- Rider Form(s): LTR 24-194-MD for the TransCare Companion Series; LTR 24-197-MD, LTR 34-195 for the TransCare TQ Series*

Increases benefits by 5% of the original amount annually for the life of the contract.

*E. Compound Benefit Increase Rider- Form(s): LTR 25-194-MD for the TransCare Companion Series; LTR 25-197-MD, LTR 35-197 for the TransCare TQ Series*

Increases benefit amounts by 5% of the current amount annually for the life of the contract.

*F. Return of Premium Benefit Rider - Form(s): LTR 27-194 for the TransCare TQ Series*

This benefit will be the sum of premiums paid less the sum of incurred claims from the effective date of this rider until death of the insured.

### **TransGenerations Series**

*A. Nursing Home Benefit – Form(s): LTC 304-198-MD, LTC 305-198-MD*

After satisfaction of the Nursing Home Elimination Period, the company will pay actual charges up to the Nursing Home Maximum Daily Benefit for each day during a Period of required Nursing Home Confinement or it will pay actual charges up to either 75% or 100%, depending on the level of coverage chosen, of the Nursing Home Maximum Daily Benefit for each day during a Period of required Assisted Living Facility Confinement. Benefits are payable up to the Nursing Home Contract Maximum.

*B. Home and Community Care Benefit – Form(s): LTC 304-198-MD*

After satisfaction of the Elimination Period, the company will pay actual charges on a monthly basis up to 50% or 100% of the Nursing Home Maximum Daily Benefit multiplied by thirty for each month or prorated portion of a month Home Care is provided. Benefits are payable up to the Nursing Home Contract Maximum.

*C. Simple Benefit Increase Rider- Rider Form: LTR 324-198*

Increases benefits by 5% of the original amount annually for the life of the contract.

*D. Compound Benefit Increase Rider- Rider Form: LTR 325-198*

Increases benefit amounts by 5% of the current amount annually for the life of the contract.

### **3) Renewability**

These policy forms are guaranteed renewable for life, subject to the company's right to change premium rates.

### **4) Applicability**

This filing applies to inforce insureds only, as these forms are no longer actively being sold. The premium change will be applicable to the base forms and to all certificates and riders associated with the base forms.

**5) Morbidity**

Morbidity assumptions are developed using internal company experience looking across multiple variables. The assumptions for incidence, recovery, on-claim mortality, utilization, and transition generally vary on variables such as marital status, gender, implied elimination period, benefit period, benefit package, policy inflation option, issue age, attained age, issue year, and calendar year.

**6) Off-Claim Mortality**

Off-claim, or active life, mortality assumptions are developed using internal company experience and vary based on attained age, issue year, gender and marital status. The rates are further adjusted by improvement factors for the lessor of 35 years or the number of years to age 100 that vary by gender and attained age.

**7) Persistency**

Voluntary lapse rates are based on Company experience and vary by duration, issue age, marital status, service group, and policy inflation option.

**8) Expenses**

Expenses have not been explicitly projected. It is assumed the originally filed expense assumptions remain appropriate.

**9) Marketing**

These policy forms were marketed by agents to individuals in age ranges that vary by policy form.

**10) Policy Design**

Policy design features have been taken into consideration. Benefit provisions, exclusions, elimination periods, benefit periods, number of units, benefit growth, etc. have been accounted for either in the development of claim costs or projection model formulas.

**11) Underwriting**

These policy forms were fully underwritten with the use of various underwriting tools in addition to the application, which may have included medical records, an attending physician's statement, telephone interview and/or face-to-face assessment.

**12) Claims Adjudication Practice**

No significant changes to the standard operating practices of the Claims Department have been necessary to date nor are any changes expected to be necessary in the future. The claims adjudication staff has maintained a consistently high degree of expertise, experience, and performance over the life of these policy forms and this is expected to continue in the future. Therefore, special adjustments due to claims adjudication practice have not been incorporated into the projection.

**13) Premiums**

Premiums vary based on original issue age, rate class, and benefit options selected.



#### 14) Issue Age Range

For the Flex 2 TQ Series, applicants age 18 - 89 were eligible for all elimination periods and benefit periods.

For the LTC 3 / 4 Series, applicants age 18 – 79 were eligible for all benefit periods. Applicants age 80 – 84 were eligible for elimination periods of 30-days, 60-days and 100-days only and benefit periods of 1 or 2 years only.

For the LTC 5 TQ Series, applicants age 18 – 79 were eligible for all elimination periods and benefit periods. Applicants age 80 – 89 were eligible for all elimination periods except for 0-day and were eligible for all benefit periods except for Lifetime.

For the Protector III TQ Series, applicants age 18 and older were eligible for all benefit periods.

For the Future Care 2 NTQ and Future Care 2 TQ Series, applicants age 18–79 were eligible for all elimination periods and benefit periods. Applicants age 80-84 were eligible for the 100-day elimination period only and the 1-year, 2-year, 3-year and 4-year benefit periods only. Applicants age 85-99 were eligible for the 100-day elimination period and the 1-year and 2-year benefit periods only.

For the Future Care Pool TQ Series, applicants age 18-79 were eligible for all elimination periods and benefit periods. Applicants age 80-84 were eligible for all elimination periods except for 0-day, and eligible for all benefit periods. Applicants age 85 and older were eligible for all elimination periods except for 0-day, and eligible for the 1-year and 2-year benefit periods only.

For the TransCare Companion and TransCare TQ Series, applicants age 18 – 90 were eligible for all elimination periods and benefit periods.

For the TransGenerations Series, applicants age 18 – 100 were eligible for all elimination periods and benefit periods.

#### 15) Area Factors

Area factors are not used for these products.

#### 16) Average Annual Premium

Series	Before Increase	After Increase
<b>FLEX 2 TQ</b>	\$3,857	\$10,299
<b>LTC 3/4</b>	\$3,482	\$9,297
<b>LTC 5 TQ</b>	\$3,199	\$8,540
<b>Protector III TQ</b>	\$3,188	\$8,511
<b>Future Care 2 NTQ</b>	\$2,851	\$7,613
<b>Future Care 2 TQ</b>	\$2,818	\$7,524
<b>Future Care Pool TQ</b>	\$3,144	\$8,394
<b>TransCare Companion</b>	\$3,798	\$10,141
<b>TransCare TQ</b>	\$3,596	\$9,600
<b>TransGenerations</b>	\$3,090	\$8,249

**17) Premium Modalization Rules**

Modal factors, which are applied to the annual premium, are no greater than the following:

Premium Mode	Annual	Semi-annual	Quarterly	Monthly
<b>Flex 2 TQ Series Undiscounted</b>	1.000	0.520	0.270	0.080
<b>LTC 3/4 Series</b>	1.000	0.520	0.270	0.080
<b>LTC5 TQ Series</b>	1.000	0.520	0.270	0.080
<b>Flex 2 TQ Series Discounted</b>	1.000	0.500	0.250	0.080
<b>Protector III TQ Series</b>	1.000	0.500	0.250	0.085
<b>Future Care 2 NTQ Series</b>	1.000	0.510	0.260	0.090
<b>Future Care 2 TQ Serues</b>	1.000	0.510	0.260	0.090
<b>Future Care Pool TQ Series</b>	1.000	0.510	0.260	0.090
<b>TransCare Companion Series</b>	1.000	0.520	0.270	0.883
<b>TransCare TQ Series</b>	1.000	0.520	0.270	0.883
<b>TransGenerations Series</b>	1.000	0.520	0.270	0.883

**18) Claim Liability and Reserve**

The present value of amounts not yet due (Exhibit 6) is calculated for all open claims using termination rates derived from company experience. The resulting reserve is adjusted by factors based on age at incurral, sex, and benefit period developed from company experience. The interest rate varies by year of incurral. The incurred but not reported and in course of settlement reserves (Exhibit 8) are calculated based on the development of incurred claims by month of incurral, based on internal Company data. The claim reserves underlying the incurred claims in the projection are consistent with the reserves reported in Exhibits 6 and 8 of the Company's financial statement.

**19) Active Life Reserve**

Active life reserves may have been used in the original pricing of the captioned forms to demonstrate compliance with the minimum 60% loss ratio. However, active life reserves have not been used in this premium rate increase filing to demonstrate compliance with the 60% loss ratio requirement. As a result, we are requesting a lesser increase than would have been necessary had we included the cost of the active life reserves.

**20) Trend Assumptions**

As this is not medical insurance, we have not included any explicit medical cost trends in the projections.

**21) Minimum Required Loss Ratio**

The Statutorily Required Minimum Loss Ratio for these forms is 60%.

**22) Anticipated Loss Ratio**

The anticipated lifetime loss ratio for this block of business is shown in Exhibit I.

**23) Distribution of Business**

See Attachment A.

**24) Contingency and Risk Margins**

Contingency and risk margins have not been included in the justification for this rate increase.

## 25) Experience on the Form

See Exhibit I for nationwide calendar year historical experience through September 30, 2022, as well as projected experience thereafter both with and without the proposed rate increase. See Exhibit II for nationwide policy year actual-to-expected experience where 'actual' experience includes historical experience through September 30, 2022, combined with current-assumption projected experience thereafter. Nationwide earned premium has been adjusted to reflect the timing and magnitude of approved rate increase history of this state. Historical incurred claims in all exhibits reflect claim payment runoff through December 31, 2022, plus the claim reserve estimate as of December 31, 2022 (as described in Section 16 above).

## 26) History of Rate Adjustments

The Future Care 2 NTQ Series had a rate decrease approved in 1996 (Revised Set of Rates). The decrease was approximately 15.0% on the average across all benefit periods and all elimination periods except for the 0-day elimination period. For the 0-day elimination period, the decrease varied by benefit period for an average of 17.3%. The overall average rate decrease was 15.2%.

The magnitude of rate increases approved for each product discussed herein is displayed in Attachment B.

## 27) Number of Insureds

As of December 31, 2022, the number of insureds that will be affected by this increase is:

	Insureds	Annualized Premium
Maryland:		
Subject to increase	508	\$2,007,259
Buyback Only (Paid Up)	27	
Nationwide:		
Subject to increase	66,037	\$220,842,933
Buyback Only (Paid Up)	13,540	

## 28) Proposed Effective Date

The proposed rate increase will be implemented following approval, after fulfillment of all statutory and contractual requirements. The increase for any policyholder will not become effective until a period of one year has elapsed since the previously approved rate increase effective date, if applicable.

**29) Actuarial Certification**

I certify that to the best of my knowledge and judgment, the entire rate filing is in compliance with the applicable laws of this state and with the rules of the Department of Insurance, and complies with all applicable Actuarial Standards of Practice including Actuarial Standard of Practice No 8. I certify that benefits are reasonable in relation to premium at the requested rate schedule. If the requested increase is implemented and the underlying assumptions are realized, no further premium rate schedule increases are anticipated. However, going forward, the Company will continue to monitor the experience of this block and reserves the right to take additional rate action if currently unanticipated future deterioration thereof justifies.



Brad Rokosh, ASA, MAAA  
Head of Financial Assets Product Management  
January 16, 2024

## Attachment A

### Transamerica Life Insurance Company

#### Distribution of Business

##### By Issue Age

0 to 59	63.5%
60 to 64	23.2%
65 to 69	10.5%
70 to 74	2.5%
75 to 79	0.3%
80 to 84	0.0%
85 +	0.0%

##### By Elimination Period

0 day	20 day	30 day	60 day	90 day	> 90 days
4.1%	4.4%	4.8%	17.3%	65.6%	3.8%

##### By Maximum Benefit Option

≤2 Yr	3 Yr	4 Yr	≥5 Yr*	Unlimited
8.4%	8.4%	20.2%	7.3%	55.7%

\* Not including Unlimited.

## Attachment B

## Transamerica Life Insurance Company

## Rate Increase History

Policy Form	First Increase (Approved)	Second Increase (Approved)	Third Increase (Approved)	Fourth Increase (Approved)	Fifth Increase (Approved)	Sixth Increase (Approved)	Seventh Increase (Approved)	Eighth Increase (Approved)	Ninth Increase (Approved)	Tenth Increase* (Approved)	Eleventh Increase* (Approved)
Flex 2 TQ (BP < 6 years)			20% (2005)	20% (2006)	20% (2008)			15% (2013)	15% (2017)	0% / 12.5% (2020)	0% / 12.5% (2020)
Flex 2 TQ (BP ≥ 6 years)			20% (2005)	20% (2006)	20% (2008)	20% (2009)	14% (2011)	15% (2013)	15% (2017)	12.5%/15% (2020)	12.5%/15% (2020)
LTC 3/4 Facility Only (BP < 6 years)	15% (2001)	20% (2003)	20% (2005)	20% (2006)	20% (2008)			15% (2013)	15% (2017)	0% / 12.5% (2020)	0% / 12.5% (2020)
LTC 3/4 Facility Only (BP ≥ 6 years)	15% (2001)	20% (2003)	20% (2005)	20% (2006)	20% (2008)	20% (2009)	14% (2011)	15% (2013)	15% (2017)	12.5%/15% (2020)	12.5%/15% (2020)
LTC 3/4 Non-Facility Only (BP < 6 years)		20% (2003)	20% (2005)	20% (2006)	20% (2008)			15% (2013)	15% (2017)	0% / 12.5% (2020)	0% / 12.5% (2020)
LTC 3/4 Non-Facility Only (BP ≥ 6 years)		20% (2003)	20% (2005)	20% (2006)	20% (2008)	20% (2009)	14% (2011)	15% (2013)	15% (2017)	12.5%/15% (2020)	12.5%/15% (2020)
LTC 5 TQ (BP < 6 years)			20% (2005)	20% (2006)	20% (2008)			15% (2013)	15% (2017)	0% / 12.5% (2020)	0% / 12.5% (2020))
LTC 5 TQ (BP ≥ 6 years)			20% (2005)	20% (2006)	20% (2008)	20% (2009)	14% (2011)	15% (2013)	15% (2017)	12.5%/15% (2020)	12.5%/15% (2020)
Protector III TQ (BP < 4 years)			20% (2005)	20% (2006)				15% (2013)	15% (2017)	0% / 12.5% (2020)	0% / 12.5% (2020)
Protector III TQ (4 ≤ BP < 6 years)			20% (2005)	20% (2006)	20% (2008)			15% (2013)	15% (2017)	0% / 12.5% (2020)	0% / 12.5% (2020)
Protector III TQ (BP ≥ 6 years)			20% (2005)	20% (2006)	20% (2008)	20% (2009)	14% (2011)	15% (2013)	15% (2017)	12.5%/15% (2020)	12.5%/15% (2020)
Future Care 2 NTQ (BP < 4 years)		20% (2003)	20% (2005)	20% (2006)				15% (2013)	15% (2017)	0% / 12.5% (2020)	0% / 12.5% (2020)
Future Care 2 NTQ (4 ≤ BP < 6 years)		20% (2003)	20% (2005)	20% (2006)	20% (2008)			15% (2013)	15% (2017)	0% / 12.5% (2020)	0% / 12.5% (2020)
Future Care 2 NTQ (BP ≥ 6 years)		20% (2003)	20% (2005)	20% (2006)	20% (2008)	20% (2009)	14% (2011)	15% (2013)	15% (2017)	12.5%/15% (2020)	12.5%/15% (2020)
Future Care 2 TQ (BP < 4 years)			20% (2005)	20% (2006)				15% (2013)	15% (2017)	0% / 12.5% (2020)	0% / 12.5% (2020)
Future Care 2 TQ (4 ≤ BP < 6 years)			20% (2005)	20% (2006)	20% (2008)			15% (2013)	15% (2017)	0% / 12.5% (2020)	0% / 12.5% (2020)
Future Care 2 TQ (BP ≥ 6 years)			20% (2005)	20% (2006)	20% (2008)	20% (2009)	14% (2011)	15% (2013)	15% (2017)	12.5%/15% (2020)	12.5%/15% (2020)
Future Care Pool TQ (BP < 4 years)			20% (2005)	20% (2006)				15% (2013)	15% (2017)	0% / 12.5% (2020)	0% / 12.5% (2020)

Policy Form	First Increase (Approved)	Second Increase (Approved)	Third Increase (Approved)	Fourth Increase (Approved)	Fifth Increase (Approved)	Sixth Increase (Approved)	Seventh Increase (Approved)	Eighth Increase (Approved)	Ninth Increase (Approved)	Tenth Increase* (Approved)	Eleventh Increase* (Approved)
Future Care Pool TQ (4 ≤ BP < 6 years)			20% (2005)	20% (2006)	20% (2008)			15% (2013)	15% (2017)	0% / 12.5% (2020)	0% / 12.5% (2020)
Future Care Pool TQ (BP ≥ 6 years)			20% (2005)	20% (2006)	20% (2008)	20% (2009)	14% (2011)	15% (2013)	15% (2017)	12.5%/15% (2020)	12.5%/15% (2020)
TransCare Comp. (BP < 6 years)		20% (2003)	20% (2005)	20% (2006)				15% (2013)	15% (2017)	0% / 12.5% (2020)	0% / 12.5% (2020)
TransCare Comp. (BP ≥ 6 years)		20% (2003)	20% (2005)	20% (2006)		20% (2009)	14% (2011)	15% (2013)	15% (2017)	12.5%/15% (2020)	12.5%/15% (2020)
TransCare TQ (BP < 6 years)			20% (2005)	20% (2006)				15% (2013)	15% (2017)	0% / 12.5% (2020)	0% / 12.5% (2020)
TransCare TQ (BP ≥ 6 years)			20% (2005)	20% (2006)		20% (2009)	14% (2011)	15% (2013)	15% (2017)	12.5%/15% (2020)	12.5%/15% (2020)
TransGenerations (BP < 6 years)			20% (2005)	20% (2006)				15% (2013)	15% (2017)	0% / 12.5% (2020)	0% / 12.5% (2020)
TransGenerations (BP ≥ 6 years)			20% (2005)	20% (2006)		20% (2009)	14% (2011)	15% (2013)	15% (2017)	12.5%/15% (2020)	12.5%/15% (2020)

\*Applies to Issue Ages ≤74 Only - without a Benefit Increase Option and with a Benefit Increase Option, respectively.

# Appendix A

## Benefit Reduction and Cost Sharing Option (with Rate Guarantee)

The Benefit Reduction and Cost Sharing Endorsement (the "Endorsement") consists of three components:

1. Reduction to all policy or certificate benefit amounts, including but not limited to the Maximum Daily Benefit, Maximum Monthly Benefit and the policy or certificate Maximum Amount

All policy or certificate benefit amounts (including, but not limited to, all Maximum Daily/Monthly Benefit amounts and the policy or certificate Maximum Amount) in effect immediately prior to the Endorsement effective date will be reduced by an amount equal to the Cost Sharing Percentage as shown below.

For example:

If the policy or certificate Maximum Amount is \$100,000 and the Cost Sharing Percentage is 20%, the policy/certificate Maximum Amount will be reduced to \$80,000. The Company will not be responsible for any costs that exceed the reduced policy/certificate Maximum Amount.

If the Maximum Daily Benefit amount is \$100, and the Cost Sharing Percentage is 20%, the Maximum Daily Benefit amount will be reduced to \$80. The Company will not be responsible for any daily costs that exceed the reduced Maximum Daily Benefit.

The dollar amount and percentages used in these examples may be different from the actual dollar amounts and percentages that apply to the policy/certificate.

2. Application of Cost Sharing to Claim Payments

As long as all policy/certificate provisions and conditions are satisfied, for any benefit for which a claim is made under the policy/certificate, the Company will pay its Cost Sharing Percentage of such benefit, but the Company will pay no more than the applicable Maximum Daily/Monthly Benefit amounts as shown on the Endorsement. The policyholder/certificate holder will be responsible for paying the remaining portion of the applicable long term care expenses associated with such claim. Note that only amounts paid by the Company will be deducted from the revised policy/certificate Maximum Amount.

For example: If the revised Maximum Daily Benefit for a covered Long Term Care Facility is \$80 and the Company's Cost Sharing Percentage is 80%, the Company will pay 80% of the Long Term Care Facility charges, but no more than \$80. Using the same formula:

- If the Long Term Care Facility charges are \$80, the Company will pay \$64 and the policyholder/certificate holder will be responsible for \$16.
- If the Long Term Care Facility charges are \$100, the Company will pay \$80 and the policyholder/certificate holder will be responsible for \$20.
- If the Long Term Care Facility charges are \$200, the Company will pay \$80 and the policyholder/certificate holder will be responsible for \$120.

3. Rate Guarantee

Premium rates for the policy will be guaranteed from the effective date of the Endorsement for 10 years. The policy will be excluded from any future increases until after the Rate Guarantee has expired. Any benefits added to the policy after the effective date of the Endorsement will not be covered by the Rate Guarantee.

See "Appendix A: Cost Sharing Percentages Table" for the Benefit Reduction and Cost Sharing Agreement Percentages by Company (or Former Company), Benefit Increase Option, and Benefit Period.



### Appendix A - Cost Sharing Percentages Table

Company (or Former Company*)	Benefit Increase Option	Benefit Period	Cost Sharing%	Required Remaining RINC
LIICA	Compound	2-year	30%	64.1%
	Compound	4-year	30%	65.6%
	Compound	Lifetime	30%	90.2%
	No Bio	2-year	30%	122.7%
	No Bio	4-year	30%	122.6%
	No Bio	Lifetime	30%	142.1%
	Simple	2-year	30%	95.6%
	Simple	4-year	30%	95.3%
	Simple	Lifetime	30%	121.5%
BULAC	Compound	2-year	30%	6.2%
	Compound	4-year	30%	39.8%
	Compound	Lifetime	30%	67.9%
	No Bio	2-year	30%	90.2%
	No Bio	4-year	30%	97.9%
	No Bio	Lifetime	30%	126.0%
	Simple	2-year	30%	52.4%
	Simple	4-year	30%	72.8%
	Simple	Lifetime	30%	92.9%
TLIC	Compound	2-year	30%	30.9%
	Compound	4-year	30%	25.2%
	Compound	Lifetime	30%	62.3%
	No Bio	2-year	30%	108.6%
	No Bio	4-year	30%	94.6%
	No Bio	Lifetime	30%	125.4%
	Simple	2-year	30%	83.9%
	Simple	4-year	30%	65.6%
	Simple	Lifetime	30%	96.4%
TOLIC	Compound	2-year	30%	
	Compound	4-year	30%	10.7%
	Compound	Lifetime	30%	29.2%
	No Bio	2-year	30%	53.1%
	No Bio	4-year	30%	51.0%
	No Bio	Lifetime	30%	89.1%
	Simple	2-year	30%	40.5%
	Simple	4-year	30%	41.5%
	Simple	Lifetime	30%	65.4%

\*For Company (or Former Company), please refer to the cover letter for the complete mapping of policy forms.

## Appendix B

In conjunction with the pending rate increase filing, Transamerica would like to offer policyholders the option to cancel their long-term care insurance policy in exchange for a one-time, lump-sum, policy cancellation payment in an amount to be determined based on the formula set forth below. The policyholder will be given the option to cancel their policy as an alternative to the premium increase. This option is not available to policyholders of all referenced TOLIC form series due to a reinsurance agreement on all referenced TOLIC policy form series. The option to cancel will be available to policyholders of all other referenced Non-TOLIC form series. The idea behind the policy cancellation is to provide policyholders with an additional choice, which is different from the range of benefit reduction options that is routinely offered in connection with premium increases. All of the available options – including the policy cancellation offer and benefit reduction options – will be explained more fully in the rate increase notification package. Any policyholder who expresses interest in the policy cancellation offer will also receive a policy cancellation agreement (included with this filing) that the policyholder will be required to sign and return before the policy is cancelled and the policy cancellation payment is issued to the policyholder.

The policyholder will be advised that they do not have to cancel their policy and that they should carefully consider whether or not it is the right option for them. The policyholder will be advised that if they choose to cancel their policy, it will terminate and they will not be able to reinstate it under any circumstances. Once the policyholder completes the policy cancellation there will never be any benefits available – including, for example, any return of premium benefit. We will strongly encourage the policyholder to consult with their family members and tax, legal and financial advisors before making the decision on whether or not to cancel their policy.

The policy cancellation payment amount will be the greater of:

- X% of Transamerica's estimate of the value of the policy, and
- \$2,000

Transamerica's estimate of the value ("Value") of the policy is based on the present value of the best estimate cash flows (benefits and expenses less future premiums). Our estimate of the Value of the policy is only an estimate – the actual benefit payments a policyholder could receive if they choose to keep their policy in force and later become eligible for benefits under the policy may be higher or lower than our estimate. Our estimate of the Value of each policy will vary depending on numerous characteristics, including issue age, issue date, gender, marital status at the time of issue, policy benefit characteristics and other factors. Our estimate of the Value of one policy will likely be different from our estimate of the Value of other policies, even between spouses who have paid similar premium amounts. Because the Company's estimate of the policy's Value is consistent with how the Company calculates reserves and is intended to capture all significant differences in experience across many variables, we believe that this formula does not unfairly discriminate between policyholders, but we ask the Department of Insurance to formally approve the policy cancellation payment calculation method. The same methodology will be used to calculate the Value for each policyholder subject to this rate increase filing, including policyholders that may currently be on claim. The same methodology and the same fixed percentage of the policy's Value will be used to calculate the policy cancellation payment that is being offered to every policyholder in the state.

The policyholder will be told that we cannot provide advice regarding the tax consequences associated with cancelling their policy. The tax treatment of each individual's policy cancellation payment could be affected by whether the policyholder previously deducted or excluded premiums from their taxable income or whether the policyholder's premiums were paid by their employer. We will advise the policyholder that before choosing the policy cancellation option, they should consult with their own personal tax advisor regarding the tax treatment of the transaction, including the tax treatment of the policy cancellation payment that would be made if they cancel their policy. The policyholder will also be advised that we may send to the Internal Revenue Service and the policyholder an IRS Form 1099 reporting taxable income with respect to the policy cancellation payment. In some circumstances the amount of taxable income the policyholder realizes from the policy cancellation payment could exceed the amount that we report on IRS Form 1099.

**Exhibit I**  
**Transamerica Life Insurance Company**  
**Future Care 2 NTQ, Future Care 2 TQ, Future Care Pool TQ, Protector III TQ, Flex 2 TQ, LTC 3 / 4, LTC 5**  
**TQ, TransCare Companion, TransCare TQ and TransGenerations**

**Nationwide Experience Adjusted to Maryland-Specific Rate History**  
**All Policyholders Pay the Requested Increase**

Year	Earned Premium		Incurred Claims	Loss Ratios Excluding Change in ALR			
	Actual Past & Projected Future w/o Proposed Rate Increase	Actual Past & Projected Future w/ Proposed Rate Increase	Actual Past & Projected Future	Actual w/o Rate Increase	Actual w/ Rate Increase	PV Actual Cumulative w/o Rate Increase	PV Actual Cumulative w/ Rate Increase
1988-1992	3,784,870	3,784,870	501,392	13.2%	13.2%	13.1%	13.1%
1993	11,921,577	11,921,577	393,920	3.3%	3.3%	5.8%	5.8%
1994	23,842,043	23,842,043	2,033,641	8.5%	8.5%	7.4%	7.4%
1995	36,338,570	36,338,570	5,170,940	14.2%	14.2%	10.6%	10.6%
1996	52,563,541	52,563,541	8,147,189	15.5%	15.5%	12.5%	12.5%
1997	76,630,209	76,630,209	16,168,652	21.1%	21.1%	15.5%	15.5%
1998	106,644,043	106,644,043	24,941,237	23.4%	23.4%	18.0%	18.0%
1999	143,913,921	143,913,921	38,119,116	26.5%	26.5%	20.5%	20.5%
2000	181,697,212	181,697,212	53,429,391	29.4%	29.4%	22.8%	22.8%
2001	218,275,503	218,275,503	70,290,718	32.2%	32.2%	25.0%	25.0%
2002	242,693,303	242,693,303	84,775,516	34.9%	34.9%	26.9%	26.9%
2003	252,485,021	252,485,021	97,397,779	38.6%	38.6%	28.9%	28.9%
2004	254,179,473	254,179,473	106,511,199	41.9%	41.9%	30.6%	30.6%
2005	248,716,874	248,716,874	130,375,204	52.4%	52.4%	33.1%	33.1%
2006	265,255,618	265,255,618	150,884,441	56.9%	56.9%	35.6%	35.6%
2007	291,098,484	291,098,484	166,669,244	57.3%	57.3%	37.7%	37.7%
2008	301,225,621	301,225,621	170,506,141	56.6%	56.6%	39.4%	39.4%
2009	314,859,209	314,859,209	206,984,677	65.7%	65.7%	41.5%	41.5%
2010	320,021,364	320,021,364	217,259,165	67.9%	67.9%	43.5%	43.5%
2011	314,244,060	314,244,060	221,701,353	70.6%	70.6%	45.2%	45.2%
2012	314,160,097	314,160,097	258,819,381	82.4%	82.4%	47.4%	47.4%
2013	300,998,471	300,998,471	293,288,770	97.4%	97.4%	49.9%	49.9%
2014	311,724,399	311,724,399	303,917,501	97.5%	97.5%	52.2%	52.2%
2015	303,372,077	303,372,077	321,581,986	106.0%	106.0%	54.5%	54.5%
2016	284,054,605	284,054,605	333,628,186	117.5%	117.5%	56.8%	56.8%
2017	264,517,948	264,517,948	350,946,321	132.7%	132.7%	59.2%	59.2%
2018	254,308,216	254,308,216	351,358,691	138.2%	138.2%	61.4%	61.4%
2019	259,343,716	259,343,716	330,608,091	127.5%	127.5%	63.2%	63.2%
2020	239,449,680	239,449,680	282,609,343	118.0%	118.0%	64.5%	64.5%
2021	221,623,807	221,623,807	396,897,382	179.1%	179.1%	66.8%	66.8%
2022Q123	167,839,811	167,839,811	319,051,586	190.1%	190.1%	68.6%	68.6%
2022Q4	52,655,422	52,655,422	120,346,850	228.6%	228.6%	69.3%	69.3%
2023	219,399,257	219,399,257	492,217,335	224.3%	224.3%	72.0%	72.0%
2024	203,074,007	203,074,007	509,971,422	251.1%	251.1%	74.8%	74.8%
2025	185,937,536	328,534,795	526,123,935	283.0%	160.1%	77.5%	76.8%
2026	169,633,699	448,575,980	540,173,793	318.4%	120.4%	80.3%	78.0%
2027	154,097,662	411,440,758	551,437,955	357.8%	134.0%	83.0%	79.4%
2028	139,438,787	372,301,561	559,362,955	401.2%	150.2%	85.7%	81.0%
2029	125,628,050	335,426,893	563,737,203	448.7%	168.1%	88.4%	82.5%
2030	112,634,071	300,732,969	564,826,586	501.5%	187.8%	90.9%	84.1%
2031	100,492,513	268,315,010	562,651,490	559.9%	209.7%	93.4%	85.8%
2032	89,218,320	238,212,914	556,654,248	623.9%	233.7%	95.7%	87.4%
2033	78,801,246	210,399,326	546,483,767	693.5%	259.7%	98.0%	88.9%
2034	69,220,044	184,817,518	532,380,141	769.1%	288.1%	100.1%	90.4%
2035	60,462,565	161,435,050	514,736,603	851.3%	318.9%	102.0%	91.9%
2036	52,515,636	140,216,748	493,935,481	940.5%	352.3%	103.8%	93.2%
2037	45,350,073	121,084,694	469,849,840	1036.1%	388.0%	105.5%	94.5%
2038	38,928,814	103,939,932	442,791,335	1137.4%	426.0%	107.0%	95.6%
2039	33,205,114	88,657,654	413,330,609	1244.8%	466.2%	108.4%	96.7%
2040	28,157,246	75,179,847	382,137,873	1357.2%	508.3%	109.6%	97.6%
2041	23,734,124	63,370,111	350,230,967	1475.6%	552.7%	110.7%	98.5%
2042	19,888,765	53,103,004	318,161,700	1599.7%	599.1%	111.6%	99.2%
2043	16,571,456	44,245,788	286,684,308	1730.0%	647.9%	112.4%	99.9%
2044	13,731,614	36,663,409	256,328,730	1866.7%	699.1%	113.1%	100.4%
2045	11,319,058	30,221,886	227,536,919	2010.2%	752.9%	113.7%	100.9%
2046	9,284,422	24,789,407	200,848,744	2163.3%	810.2%	114.2%	101.3%
2047	7,580,182	20,239,086	176,362,616	2326.6%	871.4%	114.6%	101.7%
2048	6,161,649	16,451,603	154,324,361	2504.6%	938.1%	115.0%	102.0%
2049	4,987,985	13,317,920	134,547,380	2697.4%	1010.3%	115.2%	102.2%
2050	4,022,510	10,740,101	116,760,570	2902.7%	1087.1%	115.5%	102.4%
2051	3,232,452	8,630,646	100,872,643	3120.6%	1168.8%	115.7%	102.6%
2052	2,589,010	6,912,657	86,699,288	3348.7%	1254.2%	115.9%	102.7%
2053	2,067,258	5,519,580	74,258,783	3592.1%	1345.4%	116.0%	102.9%
2054	1,645,764	4,394,190	63,359,825	3849.9%	1441.9%	116.1%	102.9%
2055	1,306,537	3,488,454	53,818,757	4119.2%	1542.8%	116.2%	103.0%
2056	1,034,374	2,761,778	45,559,648	4404.6%	1649.6%	116.3%	103.1%
2057	816,689	2,180,559	38,389,819	4700.7%	1760.5%	116.4%	103.1%
2058	643,034	1,716,901	32,231,874	5012.5%	1877.3%	116.4%	103.2%
2059	504,836	1,347,911	26,965,704	5341.5%	2000.6%	116.4%	103.2%
2060	395,159	1,055,074	22,455,417	5682.6%	2128.3%	116.5%	103.2%
2061	308,339	823,264	18,618,513	6038.3%	2261.5%	116.5%	103.3%
2062	239,831	640,349	15,363,321	6405.9%	2399.2%	116.5%	103.3%
2063	185,922	496,410	12,625,153	6790.6%	2543.3%	116.5%	103.3%
2064	143,634	383,503	10,322,375	7186.6%	2691.6%	116.5%	103.3%
PV Past	2,498,461,993	2,498,461,993	1,713,201,908	68.6%	68.6%		
PV Future	332,649,972	695,368,072	1,586,290,729	476.9%	228.1%		
PV Lifetime	2,831,111,964	3,193,830,064	3,299,492,637	116.5%	103.3%		

**Exhibit II**  
**Transamerica Life Insurance Company**

**Future Care 2 NTQ, Future Care 2 TQ, Future Care Pool TQ, Protector III TQ, Flex 2 TQ, LTC 3 / 4, LTC 5 TQ, TransCare Companion,  
TransCare TQ and TransGenerations**  
**Nationwide Experience Adjusted to Maryland-Specific Rate History**  
**Actual To Expected Lifetime Experience**

**Actual Nationwide Experience Through 9/30/2022 and Projected Thereafter**

Duration	Actual				Expected			Actual to Expected		
	A	B	C	D	E	F	G	H=A/E	I=C/F	J=D/G
	Earned Premium @ Original Rate Level	Earned Premium Adjusted To Approved Maryland Rate History	Incurred Claims Excluding ALR Increase	Cumulative Loss Ratio Excluding ALR Increase	Earned Premium @ Original Rate Level	Incurred Claims Excluding ALR Increase	Cumulative Loss Ratio Excluding ALR Increase	Actual to Expected Earned Premium	Actual to Expected Incurred Claims Excluding ALR Increase	Cumulative Loss Ratio Excluding ALR Increase
1	304,360,533	304,368,956	20,690,005	6.8%	304,305,729	17,350,600	5.7%	100.0%	119.2%	119.2%
2	285,178,869	285,292,611	36,530,419	9.6%	262,220,675	24,715,343	7.4%	108.8%	147.8%	130.5%
3	271,790,832	272,659,953	44,233,931	11.6%	236,890,004	33,171,150	9.2%	114.7%	133.4%	125.8%
4	262,453,144	266,303,159	66,501,949	14.6%	215,895,977	41,558,964	11.2%	121.6%	160.0%	129.9%
5	253,868,440	264,707,669	92,019,455	18.1%	198,329,409	47,140,247	13.1%	128.0%	195.2%	138.2%
6	246,513,943	269,293,523	98,223,032	20.7%	182,106,713	53,100,956	14.9%	135.4%	185.0%	138.9%
7	238,717,816	277,717,646	116,563,810	23.4%	166,849,245	58,785,442	16.8%	143.1%	198.3%	139.3%
8	230,230,566	288,968,977	126,304,861	25.6%	152,489,178	63,653,291	18.6%	151.0%	198.4%	137.6%
9	221,792,938	302,329,315	151,117,014	28.0%	138,992,518	67,164,442	20.4%	159.6%	225.0%	137.3%
10	210,508,746	310,349,969	173,337,818	30.5%	126,334,535	69,895,782	22.2%	166.6%	248.0%	137.6%
11	195,596,839	310,368,095	199,917,338	33.2%	112,779,630	71,952,008	23.9%	173.4%	277.8%	138.9%
12	183,606,886	313,125,237	223,240,305	35.9%	101,858,683	75,992,625	25.6%	180.3%	293.8%	140.0%
13	173,697,437	316,698,115	243,040,774	38.5%	91,720,327	79,121,976	27.4%	189.4%	307.2%	140.6%
14	163,846,232	317,396,181	270,625,750	41.2%	82,332,932	82,242,404	29.1%	199.0%	329.1%	141.5%
15	154,114,343	315,604,719	307,601,589	44.1%	73,677,651	84,307,369	30.8%	209.2%	364.9%	143.1%
16	144,616,255	310,806,573	331,401,285	47.0%	65,708,077	86,455,043	32.5%	220.1%	383.3%	144.6%
17	135,451,114	303,964,231	331,028,821	49.6%	58,381,883	87,844,425	34.2%	232.0%	376.8%	145.1%
18	126,086,661	294,708,875	345,535,248	52.1%	51,662,339	88,677,545	35.8%	244.1%	389.7%	145.6%
19	117,142,435	285,599,876	357,666,239	54.6%	45,519,409	88,776,407	37.4%	257.3%	402.9%	146.0%
20	107,160,622	273,135,504	389,402,414	57.2%	39,929,727	88,333,720	38.9%	268.4%	440.8%	147.0%
21	95,978,117	256,152,651	409,607,458	59.9%	33,266,651	86,426,452	40.4%	288.5%	473.9%	148.4%
22	86,878,385	244,149,341	437,018,540	62.7%	28,858,194	86,400,181	41.8%	301.1%	505.8%	150.0%
23	78,950,051	233,695,035	464,334,993	65.5%	24,915,499	85,287,871	43.1%	316.9%	544.4%	152.0%
24	71,718,174	222,038,804	502,993,882	68.5%	21,385,627	84,942,055	44.4%	335.4%	592.2%	154.3%
25	64,983,217	207,961,178	542,884,446	71.6%	18,331,823	82,763,986	45.6%	354.5%	655.9%	157.1%
26	58,820,013	192,683,118	564,168,573	74.8%	15,640,282	80,877,067	46.7%	376.1%	697.6%	160.1%
27	53,005,760	176,511,285	579,391,881	77.9%	13,274,316	77,414,330	47.8%	399.3%	748.4%	163.1%
28	47,628,071	160,334,446	594,420,894	81.1%	11,207,702	73,848,052	48.7%	425.0%	804.9%	166.3%
29	42,694,658	144,653,289	605,575,636	84.1%	9,410,588	70,003,852	49.6%	453.7%	865.1%	169.5%
30	38,151,102	129,785,259	608,989,335	87.1%	7,854,961	66,080,394	50.4%	485.7%	921.6%	172.7%
31	33,892,328	115,589,147	609,899,146	90.0%	6,573,034	61,598,853	51.1%	515.6%	990.1%	176.0%
32	29,962,906	102,303,136	604,342,550	92.8%	5,458,860	57,884,274	51.8%	548.9%	1044.1%	179.1%
33	26,355,963	90,043,547	594,195,650	95.4%	4,504,753	53,542,196	52.4%	585.1%	1109.8%	182.2%
34	23,054,686	78,798,090	579,385,365	97.9%	3,660,721	50,493,424	52.9%	629.8%	1147.4%	185.1%
35	20,055,352	68,565,865	556,903,582	100.2%	3,037,178	46,715,521	53.4%	660.3%	1192.1%	187.7%
36	17,348,584	59,322,084	534,327,960	102.3%	2,502,352	43,307,895	53.8%	693.3%	1233.8%	190.2%
37	14,919,654	51,021,276	508,197,668	104.3%	2,049,229	39,086,157	54.1%	728.1%	1300.2%	192.6%
38	12,752,338	43,611,158	478,529,821	106.0%	1,668,074	35,191,756	54.4%	764.5%	1359.8%	194.7%
39	10,834,222	37,050,436	446,019,739	107.6%	1,348,548	31,523,951	54.7%	803.4%	1414.9%	196.7%
40	9,151,014	31,290,853	409,343,748	109.0%	1,080,895	28,112,638	54.9%	846.6%	1456.1%	198.4%
41	7,684,373	26,271,310	374,051,027	110.2%	862,715	24,791,743	55.1%	890.7%	1508.8%	200.0%
42	6,415,373	21,927,979	338,702,846	111.3%	679,126	21,749,103	55.3%	944.7%	1557.3%	201.3%
43	5,325,226	18,197,014	304,240,436	112.2%	530,870	18,731,475	55.4%	1003.1%	1624.2%	202.5%
44	4,396,239	15,018,005	271,340,480	113.0%	404,272	16,629,192	55.5%	1087.4%	1631.7%	203.5%
45	3,610,613	12,330,055	238,871,191	113.7%	323,210	14,734,681	55.6%	1117.1%	1621.1%	204.4%
46	2,951,076	10,073,978	209,799,178	114.3%	154,910	8,406,631	55.7%	1905.0%	2495.6%	205.2%
47	2,400,832	8,192,257	183,343,403	114.7%	121,902	7,148,546	55.7%	1969.5%	2564.8%	205.9%
48	1,944,418	6,631,878	159,825,911	115.1%	94,681	6,007,441	55.8%	2053.7%	2660.5%	206.4%
49	1,568,192	5,346,095	138,753,346	115.5%	72,823	5,008,426	55.8%	2153.4%	2770.4%	206.9%
50	1,259,868	4,292,796	119,254,646	115.7%	55,660	4,174,121	55.8%	2263.5%	2857.0%	207.3%
51	1,008,517	3,434,517	102,279,104	116.0%	41,121	3,332,325	55.8%	2452.5%	3069.3%	207.7%
52	804,494	2,738,210	87,282,538	116.2%	29,954	2,638,258	55.9%	2685.8%	3308.3%	208.0%
53	639,562	2,175,655	74,329,064	116.3%	21,704	1,979,955	55.9%	2946.8%	3754.1%	208.2%
54	506,823	1,723,207	63,090,367	116.4%	13,413	1,549,478	55.9%	3778.7%	4071.7%	208.4%
55	400,426	1,360,833	53,047,544	116.5%	10,329	1,317,162	55.9%	3876.8%	4027.4%	208.6%
56	315,443	1,071,635	44,492,413	116.6%	7,896	1,122,860	55.9%	3995.2%	3962.4%	208.7%
57	247,755	841,473	37,158,022	116.7%	5,825	874,403	55.9%	4253.3%	4249.5%	208.8%
58	193,995	658,798	31,004,401	116.7%	4,303	680,698	55.9%	4508.7%	4554.8%	208.9%
59	151,452	514,330	25,772,580	116.8%	3,056	503,989	55.9%	4955.8%	5113.7%	208.9%
60	117,886	400,415	21,239,277	116.8%	2,174	371,998	55.9%	5421.7%	5709.5%	209.0%
61	90,935	309,184	17,263,800	116.8%	1,389	237,433	55.9%	6546.5%	7271.0%	209.0%
62	67,248	230,023	13,172,018	116.8%	850	139,861	55.9%	7908.1%	9417.9%	209.1%
63	45,172	156,937	8,898,863	116.8%	388	44,752	55.9%	11637.2%	19885.0%	209.1%
64	26,058	92,276	5,028,755	116.9%	98	10,502	55.9%	26620.6%	47885.1%	209.1%
65+	21,481	79,964	3,690,852	116.9%	54	5,390	55.9%	39972.3%	68479.7%	209.1%
PV Lifetime	3,075,650,579	4,634,535,162	5,415,728,896	116.9%	2,078,746,418	1,161,760,753	55.9%	148.0%	466.2%	209.1%

## Exhibit IV

### Transamerica Life Insurance Company

Future Care 2 NTQ, Future Care 2 TQ, Future Care Pool TQ, Protector III TQ, Flex 2 TQ, LTC 3 / 4, LTC 5 TQ, TransCare Companion, TransCare TQ and TransGenerations

#### Blended If-Knew / Make-Up Approach (Minnesota method)\*

% of Active Policyholders Remaining	31.7%
If-Knew Increase	189.4%
Make-Up Increase	4307.9%
Blended Increase	1493.0%
Cost-Sharing Increase	
0-15%	15.00%
15-50%	31.50%
50-100%	37.50%
100-150%	32.50%
>150%	671.49%

<b>Maximum Allowable Rate Increase</b>	<b>167.6%</b>
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\* Based off of Exhibit I