

APPENDIX A

MASSACHUSETTS DIVISION OF INSURANCE  
2004 LONG-TERM CARE INSURANCE QUESTIONNAIRE

***SURVEY REPORTING FOR JANUARY 1, 2002 THROUGH DECEMBER 31, 2004***

Name of Carrier:  
NAIC#:  
Contact/Title:  
Address:  
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Original File Date:  
Revision Date (If applicable):

<Insert Company Name here>  
<Insert NAIC# here>  
<Insert Contact/Title>  
<Insert Address here>  
<Insert Telephone Number here>  
<Insert FAX Number here>  
<Insert E-Mail Address here>  
<Insert original filing date here>  
<Insert revision date(s) to filing here>

**Instructions:**

IF YOUR COMPANY INSURES MASSACHUSETTS RESIDENTS IN GROUP **AND** INDIVIDUAL LONG TERM CARE INSURANCE POLICIES, PLEASE SUBMIT A SEPARATE SET OF RESPONSES.

The responses to this questionnaire pertain to:	Place a checkmark (√) next to the applicable type of business
1. GROUP business	
2. INDIVIDUAL business	

If your company is selling a “stop loss” product, administrative services only, or reinsurance long-term care to a self-funded plan, please check here. \_\_\_\_\_  
(Please do not include information on this questionnaire about such “stop loss,” administrative services only, or reinsurance for long-term care to a self-funded plan product.)

**PLEASE RETURN BY NO LATER THAN FRIDAY, APRIL 22, 2005**

Massachusetts Division of Insurance  
Attn. Mr. Robert L. McLaughlin  
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THE STATEMENTS AND ANY ATTACHMENTS AND ENCLOSURES ACCOMPANYING THIS REPORT REPRESENT MY ORGANIZATION’S PARTICIPATION IN THE LONG-TERM CARE INSURANCE MARKET.

Print Name and Title

Signature

Date

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FOR DIVISION OF INSURANCE USE ONLY:  
<Insert Company Name here>  
<Insert original filing date here>

HISTORY

<Insert Company Name here>

1) What year did your company begin marketing long-term care insurance products?

Nationally:

Massachusetts:

1b) If your company did, but no longer markets long-term care insurance products in **Massachusetts**, what year did your company cease marketing these products?

Nationally:

Massachusetts:

2) What is the total number of long-term care insurance policies (or certificates) that your company had in force **Nationally** as of December 31:

2002	2003	2004

2b) **Nationally**, how many policies (or certificates) were **initially issued** during each of the following calendar years:

2002	2003	2004

2c) **Nationally**, how many policies (or certificates) that were **initially issued** during each of the following calendar years were **still active** at the end of the respective year:

2002	2003	2004

3) What is the total number of long-term care insurance policies (or certificates) that your company had in force for **Massachusetts** residents as of December 31:

2002	2003	2004

3b) In **Massachusetts**, how many policies (or certificates) were **initially issued** during each of the following calendar years:

2002	2003	2004

3c) In **Massachusetts**, how many policies (or certificates) that were initially issued during each of the following calendar years were **still active** at the end of the respective year:

2002	2003	2004

HISTORY

4) What was the **average age** of your company’s long-term care insurance policyholders **Nationally** for:

2002	2003	2004

5) What was the **average age** of your company’s **Massachusetts** long-term care insurance policyholders for:

2002	2003	2004

6) What **percentage** of long-term care insurance policyholders **Nationally** were sold at issue age:

	<40	40-49	50-55	56-60	61-70	71-75	76+
2002							
2003							
2004							

7) What percentage of long-term care insurance **Massachusetts** policyholders were sold at issue age:

	<40	40-49	50-55	56-60	61-70	71-75	76+
2002							
2003							
2004							

8) What **gross premium revenue** did your company receive from long-term care insurance policies **Nationally** for the years:

2002	2003	2004

9) What **gross premium revenue** did your company receive from long-term care insurance policies **for Massachusetts** for the years:

2002	2003	2004

HISTORY

10) Please complete the following table regarding actual earned premium, actual incurred claims, actual loss ratio incurred to premium earned percentage, projected loss incurred to premium earned percentage and number of covered lives for year 2002, 2003 and 2004.

	Nationally		
	2002	2003	2004
Actual Earned Premium			
Actual incurred claims			
Actual Loss incurred to premium earned%	#DIV/0!	#DIV/0!	#DIV/0!
Projected loss incurred to premium earned %			
Number of covered lives at year-end			

	Massachusetts		
	2002	2003	2004
Actual Earned Premium			
Actual incurred claims			
Actual Loss incurred to premium earned%	#DIV/0!	#DIV/0!	#DIV/0!
Projected loss incurred to premium earned %			
Number of covered lives at year-end			

11) Please complete the following table regarding projected earned premium, projected incurred claims, projected loss ratio incurred to projected premium earned percentage, and projected number of covered lives for year 2005, 2006, 2007, 2008 and 2009.

	Nationally				
	2005	2006	2007	2008	2009
Projected earned premium					
Projected incurred claims					
Actual Loss incurred to premium earned %	NA	NA	NA	NA	NA
Projected loss incurred to projected premium earned %	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Projected number of covered lives at year-end					

	Massachusetts				
	2005	2006	2007	2008	2009
Projected earned premium					
Projected incurred claims					
Actual Loss incurred to premium earned %	NA	NA	NA	NA	NA
Projected loss incurred to projected premium earned %	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Projected number of covered lives at year-end					

GENERAL INFORMATION

<Insert Company Name here>

1) If your company does not sell long-term care insurance as a stand-alone product, is it sold as a component of one of the following: (Please place a checkmark (√) next to all applicable services)

accident and sickness	<input type="checkbox"/>	term life	<input type="checkbox"/>
dreaded disease	<input type="checkbox"/>	whole life	<input type="checkbox"/>
hospital indemnity	<input type="checkbox"/>		<input type="checkbox"/>
long-term disability	<input type="checkbox"/>	Other (List)	<input type="checkbox"/>
			<input type="checkbox"/>
			<input type="checkbox"/>
			<input type="checkbox"/>

2) In how many states does your company market long-term care insurance? [checkmark (√)]

<Insert # >

3) Does your company market nursing home only in **Massachusetts**? [checkmark (√)]

YES	NO
<input type="checkbox"/>	<input type="checkbox"/>

If yes, does this policy offer a rider for home health care benefits?

YES	NO
<input type="checkbox"/>	<input type="checkbox"/>

4) Does your company issue a policy in **Massachusetts** with a pre-existing condition limitations? [checkmark (√)]

YES	NO
<input type="checkbox"/>	<input type="checkbox"/>

If yes, please identify the maximum limitation period from the date of issue of the policy.

<insert max.>

5) Does your company issue a policy in **Massachusetts** that covers pre-existing conditions without a limitation period if conditions are disclosed at the time of sale? [checkmark (√)]

YES	NO
<input type="checkbox"/>	<input type="checkbox"/>

6) What **percentage** of **Massachusetts** long-term care policyholders bought a policy without a home health care benefit?

2002	2003	2004
<input type="text"/>	<input type="text"/>	<input type="text"/>

GENERAL INFORMATION

<Insert Company Name here>

- 7) **Nationally**, does your company offer a long-term care policy that covers the following:  
(Please place a checkmark (√) next to all applicable services)

Adult Day Care	_____	Home Care	_____
Alt care	_____	Home Health	_____
Assisted Living	_____	Hospice	_____
Bed Reservation	_____	Nursing Home	_____
Care Giver Training	_____	Personal Care	_____
Chore Care	_____	Respite Care	_____
Emergency Medical Response	_____		_____
		Other (List)	_____
			_____
			_____
			_____

- 8) **In Massachusetts**, does your company offer a long-term care policy that covers the following:  
(Please place a checkmark (√) next to all applicable services)

Adult Day Care	_____	Home Care	_____
Alt care	_____	Home Health	_____
Assisted Living	_____	Hospice	_____
Bed Reservation	_____	Nursing Home	_____
Care Giver Training	_____	Personal Care	_____
Chore Care	_____	Respite Care	_____
Emergency Medical Response	_____		_____
		Other (List)	_____
			_____
			_____
			_____

MARKETING AND AGENT TRAINING

<Insert Company Name here>

- 1) Does your company provide guidelines to agents regarding individual and group long-term care insurance products for potential customers?

YES	NO

If yes, please describe these guidelines and the steps your company takes to encourage agents to comply with them.


- 2) Please indicate the methods by which your company markets long-term care insurance **Nationally** and the percentage of premium written through each of the following:

	checkmark (√)	Percent (%)
associations		
brokers		
captive agents		
direct marketing		
independent agents		
other (List)		

- 3) Please indicate the methods by which your company markets long-term care insurance in **Massachusetts** and the percentage of premium written through each of the following:

	checkmark (√)	Percent (%)
associations		
brokers		
captive agents		
direct marketing		
independent agents		
other (List)		

MARKETING AND AGENT TRAINING

<Insert Company Name here>

4)

Does your company provide guidelines to agents regarding the suitability of long-term care insurance for potential customers?  
If yes, please describe these guidelines and the steps your company takes to encourage agents to comply with them.

YES

NO

5)

Does your company use a worksheet or other marketing material(s) to examine a potential applicant’s financial situation or uses any other marketing material(s) that purport to provide guidance as to whether the applicant is suitable for long-term care insurance and subsequently notify the applicant that your company finds the applicant to be suitable for long-term care insurance?  
  
If yes, please forward a copy of the worksheet that your company utilizes.

YES

NO

6)

If your company uses a worksheet to examine a potential applicant’s financial situation, please indicate whether your company provides the insured with any notice concerning the applicant’s suitability for your product(s). For purposes of this report, please forward a copy of that notice  
If yes, please forward a copy of the worksheet that your company utilizes.

YES

NO

7)

Does your company provide the applicant with any notice concerning the applicant’s suitability for your product(s).  
If yes, please forward a copy of that notice.

YES

NO

8)

What information, if any, does your company require about an applicant’s assets? Please indicate any minimum income and asset requirements imposed on prospective purchasers of long-term care insurance.

Minimum income required:

Minimum net worth required:

List any other requirements:

MARKETING AND AGENT TRAINING

<Insert Company Name here>

9) Please indicate **by year** the **average assets and average income** of applicants that purchase your long-term care insurance product.

	2002	2003	2004
Average Assets			
Average Income			

10) Please identify when (*i.e.* time of policy proposal, upon delivery of policy, time of proposal and upon delivery etc.) the following materials are provided to an applicant/policyholder in **Massachusetts**:

Your Options for Financing Long-term Care: A Massachusetts Guide	
Policy Illustration Form	
Outline of coverage	
Disclosure Regarding Suitability Standards	
Guide to Health Insurance for People with Medicare	
Copy of application	
Inflation Adjustment Benefit information	
Nonforfeiture Benefit information	
Home Health Care Benefit information	
Policy and riders	

11) What is the **average commission** paid to an agent or broker for a new long-term care policy in **Massachusetts** expressed as a **percentage** of gross premium (**ie. 10% of gross premium**)?

COMPREHENSIVE COVERAGE  
NURSING HOME ONLY, HOME HEALTH ONLY

<Insert Company Name here>

Comprehensive Coverage (Nursing Home and Home Health Policy)

- 1) How many **National** long-term care policyholders **purchased comprehensive policies** (Nursing Home and Home Health combined) in 2002, 2003 and 2004? What **percentage** of your long-term care policyholders **Nationally** purchased comprehensive coverage in 2002, 2003 and 2004? What was the **average daily amount** of nursing home coverage and home health coverage purchased **Nationally in** 2002, 2003 and 2004? In addition, please **identify any additional services** that that would be included/or offered with the plans (i.e. respite care, adult day care, chore care etc.)

	2002	2003	2004
Total number of Comprehensive policies <b>issued</b>			
<b>Percentage (%)</b> of Comprehensive policies issued			
Average <i>Nursing Home</i> Daily <b>Dollar Amount</b> Purchased			
Average Home Health Daily <b>Dollar Amount</b> Purchased			

List of Additional Services (Please place a checkmark (√) next to all applicable services):

Adult Day Care \_\_\_\_\_  
Assisted Living \_\_\_\_\_  
Chore Cae \_\_\_\_\_  
Home Care \_\_\_\_\_  
Personal Care \_\_\_\_\_  
Respite Care \_\_\_\_\_  
Other (Please List):

- 2) How many Massachusetts long-term care policyholders **purchased comprehensive policies** (Nursing Home and Home Health combined) in **2002, 2003 and 2004**? What **percentage** of your **Massachusetts** long-term care policyholders purchased comprehensive coverage in 2002, 2003 and 2004? What was the **average daily amount** of nursing home coverage and home health coverage purchased **in Massachusetts** in 2002, 2003 and 2004? In addition, please **identify any additional services** that that would be included/or offered with the plans (i.e. respite care, adult day care, chore care etc.)

	2002	2003	2004
Total number of Comprehensive policies <b>issued</b>			
<b>Percentage (%)</b> of Comprehensive policies issued			
Average <i>Nursing Home</i> Daily <b>Dollar Amount</b> Purchased			
Average Home Health Daily <b>Dollar Amount</b> Purchased			

COMPREHENSIVE COVERAGE  
NURSING HOME ONLY, HOME HEALTH ONLY

<Insert Company Name here>

List of Additional Services (Please place a checkmark (√) next to all applicable services):

Adult Day Care \_\_\_\_\_  
Assisted Living \_\_\_\_\_  
Chore Cae \_\_\_\_\_  
Home Care \_\_\_\_\_  
Personal Care \_\_\_\_\_  
Respite Care \_\_\_\_\_  
Other (Please Liat): \_\_\_\_\_

Nursing Home Coverage

- 1) How many **National** long-term care policyholders purchased **Nursing Home only** polices in 2002, 2003 and 2004? What **percentage** of your long-term care policyholders **Nationally** purchased nursing home only coverage in 2002, 2003 and 2004? What was the **average daily amount** of nursing home coverage purchased **Nationally** in 2002, 2003 and 2004 by those who purchased this coverage?

Total number of nursing home only polices **issued**  
**Percentage (%)** of Nursing Home only policies issued  
Average Nursing Home Daily **Dollar Amount** Purchased

2002	2003	2004

- 2) How many **Massachusetts** long-term care policyholders purchased **Nursing Home only** polices in 2002, 2003 and 2004? What **percentage** of your **Massachusetts** long-term care policyholders purchased nursing home only coverage in 2002, 2003 and 2004? What was the **average daily amount** of coverage purchased in 2002, 2003 and 2004 by **Massachusetts** policyholders who purchased this coverage?

Total number of nursing home only polices **issued**  
**Percentage (%)** of Nursing Home only policies issued  
Average Nursing Home Daily **Dollar Amount** Purchased

2002	2003	2004

COMPREHENSIVE COVERAGE  
NURSING HOME ONLY, HOME HEALTH ONLY

<Insert Company Name here>

Home Health Coverage

- 1) How many **National** long-term care policyholders purchased **Home Health only** policies in 2002, 2003 and 2004? What **percentage** of your long-term care policyholders **Nationally** purchased home health only coverage in **2002, 2003 and 2004**? What was the **average daily amount** of home health coverage purchased **Nationally** in **2002, 2003 and 2004** by those who purchased this coverage?

Total number of Home Health only policies issued  
Percentage (%) of Home Health only policies issued  
Average Home Health Daily **Dollar Amount** Purchased

2002	2003	2004

- 2) How many **Massachusetts** long-term care policyholders purchased **Home Health only** policies in 2002, 2003 and 2004? What **percentage** of your long-term care policyholders in **Massachusetts** purchased home health only coverage in 2002, 2003 and 2004? What was the **average daily amount** of home health coverage purchased in **Massachusetts** 2002, 2003 and 2004 by those who purchased this coverage?

Total number of Home Health only policies issued  
Percentage (%) of Home Health only policies issued  
Average Home Health Daily **Dollar Amount** Purchased

2002	2003	2004

PLAN MAXIMUM BENEFIT DISTRIBUTION

<Insert Company Name here>

- 1) What **percentage** of long-term care insurance policyholders **NationalLy** were sold the following Lifetime Maximum Benefit Periods (if benefit is a flat maximum, please estimate its “per day” equivalent)?

Year	365 days (1 year)	730 days (2 years)	1095 days (3 years)	1460 days (4 years)	1825 days (5 years)	2190 days (6 years)	Unlimited days
2002							
2003							
2004							

- 2) What **percentage** of long-term care insurance **Massachusetts** policyholders were sold the following Lifetime Maximum Benefit Periods (if benefit is a flat maximum, please estimate its “per day” equivalent)?

Year	365 days (1 year)	730 days (2 years)	1095 days (3 years)	1460 days (4 years)	1825 days (5 years)	2190 days (6 years)	Unlimited days
2002							
2003							
2004							

- 3) What **percentage** of long-term care insurance policyholders **Nationally** were sold the following Daily Maximum Benefit Amounts (if benefit is a flat maximum, please estimate its “per day” equivalent)?

Year	<\$50	\$51-\$100	\$101-\$125	\$126-\$150	\$151-\$200	>\$200
2002						
2003						
2004						

- 4) What **percentage** of long-term care insurance **Massachusetts** policyholders were sold the following Daily Maximum Benefit Amounts (if benefit is a flat maximum, please estimate its “per day” equivalent)?

Year	<\$50	\$50-\$100	\$101-\$125	\$126-\$150	\$151-\$200	>\$200
2002						
2003						
2004						

PLAN MAXIMUM BENEFIT DISTRIBUTION

<Insert Company Name here>

- 5) Please indicate by year the number of **total policies** sold to **National** policyholders, the **number of copayment design policies** sold to **National** policyholders, the **percentage** of long-term care insurance policies sold with co-insurance benefit designs to **National** policyholders and **specify the range** of co-insurance designs offered.

Year	Number of total polices sold by year	Number of polices sold w/co-pay design	Percent (%) of policies sold w/ co-payment designs	list co-payment designs
2002				
2003				
2004				

- 6) Please indicate by year the number of **total policies** sold to **Massachusetts** policyholders, the **number of copayment design policies** sold to **Massachusetts** policyholders, the **percentage** of long-term care insurance policies sold with co-insurance benefit designs to **Massachusetts** policyholders and **specify the range** of co-insurance designs offered.

Year	Number of total polices sold by year	Number of polices sold w/co-pay design	Percent (%) of policies sold w/ co-payment designs	list co-payment designs
2002				
2003				
2004				

ELIMINATION PERIOD

<Insert Company Name here>

- 1) Has your company issued a policy **Nationally** that requires the policyholder to only satisfy one elimination period during the policy’s lifetime?  
If yes, is your company still issuing such a plan?

YES	NO
<input type="text"/>	<input type="text"/>
YES	NO
<input type="text"/>	<input type="text"/>

- 2) Has your company issued a policy **in Massachusetts** that requires the policyholder to only satisfy one elimination period during the policy’s lifetime?  
If yes, is your company still issuing such a plan?

YES	NO
<input type="text"/>	<input type="text"/>
YES	NO
<input type="text"/>	<input type="text"/>

If currently offered in **Massachusetts**, please identify the form number issued to Massachusetts policyholders.

<insert form identifier>

ELIMINATION PERIOD

<Insert Company Name here>

- 3) What **percentage** of policyholders **Nationally** purchased coverage (based on issue age) with the following elimination periods? (If an elimination period is available **but not purchased**, please indicate with “NP.”)

**For example**, if a carrier sold only four policies [two policyholders were 35 years old and two policyholders were 50 years old] one 35 year old and one 50 year old chose "0 days" while the other 35 year old and 50 year old chose chose "90 days" - the carrier would enter 50% in cell "D17" and cell "F17" and 50% in cell "D21" and cell F21."

(Each column should either reflect 0% or 100%)

2002	<40	40-49	50-55	56-60	61-70	71-75	76+
0 days							
1-30 days							
31-45 days							
46-60 days							
61-90 days							
91-120 days							
121-240 days							
241-365 days							
	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
2003	<40	40-49	50-55	56-60	61-70	71-75	76+
0 days							
1-30 days							
31-45 days							
46-60 days							
61-90 days							
91-120 days							
121-240 days							
241-365 days							
	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
2004	<40	40-49	50-55	56-60	61-70	71-75	76+
0 days							
1-30 days							
31-45 days							
46-60 days							
61-90 days							
91-120 days							
121-240 days							
241-365 days							
	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

(Each column should either reflect 0% or 100%)

ELIMINATION PERIOD

<Insert Company Name here>

4) What **percentage** of policyholders in **Massachusetts** purchased coverage (based on issue age) with the following elimination periods? (If an elimination period is available **but not purchased**, please indicate with “NP.”).

2002

0 days

1-30 days

31-45 days

46-60 days

61-90 days

91-120 days

121-240 days

241-365 days

0.0%

0.0%

0.0%

0.0%

0.0%

0.0%

0.0%

<40	40-49	50-55	56-60	61-70	71-75	76+

(Each column should either reflect 0% or 100%)

2003

0 days

1-30 days

31-45 days

46-60 days

61-90 days

91-120 days

121-240 days

241-365 days

0.0%

0.0%

0.0%

0.0%

0.0%

0.0%

0.0%

<40	40-49	50-55	56-60	61-70	71-75	76+

(Each column should either reflect 0% or 100%)

2004

0 days

1-30 days

31-45 days

46-60 days

61-90 days

91-120 days

121-240 days

241-365 days

0.0%

0.0%

0.0%

0.0%

0.0%

0.0%

0.0%

<40	40-49	50-55	56-60	61-70	71-75	76+

(Each column should either reflect 0% or 100%)

ELIMINATION PERIOD

<Insert Company Name here>

5) **Nationally**, has your company issued policyholders coverage that include **deductibles rather than elimination periods**? (Please identify the deductible options available)

	2002	2003	2004
	[check (√) if available]	[check (√) if available]	[check (√) if available]
Deductible options available (Please List):			

6) In **Massachusetts**, has your company issued policyholders coverage that include **deductibles rather than elimination periods**?

	2002	2003	2004
	[check (√) if available]	[check (√) if available]	[check (√) if available]
Deductible options available (Please List):			

INFLATION ADJUSTMENT BENEFIT

<Insert Company Name here>

- 1) What percentage of policyholders purchased inflation protection, by type of protection, **Nationally**? (If an inflation coverage type is made available but not purchased, please indicate with “0.”)  
Please provide the responses to this question as a **percentage of policies** initially issued during 2002, 2003 and 2004.

No inflation protection  
3% simple interest rate  
5% simple interest rate  
10% simple interest rate  
Consumer price indices  
3% compound interest rate  
5% compound interest rate  
10% compound interest rate  
Other (please specify)

2002	2003	2004

- 2) What is the **average cost** (dollar amount) of each of the inflation protection provisions purchased by policyholders **Nationally** in 2002, 2003 and 2004?

3% simple interest rate  
5% simple interest rate  
10% simple interest rate  
Consumer price indices  
3% compound interest rate  
5% compound interest rate  
10% compound interest rate  
Other (please specify)

2002	2003	2004

INFLATION ADJUSTMENT BENEFIT

<Insert Company Name here>

3) What percentage of policyholders purchased inflation protection, by type of protection, in **Massachusetts**? (If an inflation coverage type is made available but not purchased, please indicate with “0.”) Please provide the responses to this question as a **percentage of policies** initially issued during 2002, 2003 and 2004.

No inflation protection  
3% simple interest rate  
5% simple interest rate  
10% simple interest rate  
Consumer price indices  
3% compound interest rate  
5% compound interest rate  
10% compound interest rate  
Guar Future Purch Option  
Other (please specify)

2002	2003	2004

4) What is the **average cost** (dollar amount) of each of the inflation protection provisions purchased by **Massachusetts** policyholders in 2002, 2003 and 2004?

3% simple interest rate  
5% simple interest rate  
10% simple interest rate  
Consumer price indices  
3% compound interest rate  
5% compound interest rate  
10% compound interest rate  
Guar Future Purch Option  
Other (please specify)

2002	2003	2004

NONFORFEITURE BENEFITS

<Insert Company Name here>

1) Does your company offer nonforfeiture benefits in its long-term care insurance policies **Nationally**?

YES	NO

If yes, please complete the tables below by year and describe those that are offered (i.e. reduced paid-up, return of premium etc.) as well as noting what percentage of your policyholders purchased nonforfeiture benefits **Nationally** in 2002, 2003 and 2004. In addition, please identify the **average cost (dollar amount)** of each of the nonforfeiture benefits purchased by policyholders **Nationally**.

2002		
Nonforfeiture (LIST)	type	% purchased nonforfeiture
		AVG. Cost (\$) nonforfeiture

2003		
Nonforfeiture (LIST)	type	% purchased nonforfeiture
		AVG. Cost (\$) nonforfeiture

2004		
Nonforfeiture (LIST)	type	% purchased nonforfeiture
		AVG. Cost (\$) nonforfeiture

2) What **percentage** of your **group** policies sold **Nationally** in 2002, 2003 and 2004 require nonforfeiture benefits?

2002	2003	2004

NONFORFEITURE BENEFITS

<Insert Company Name here>

3) In **Massachusetts**, does your company offer all the above-noted nonforfeiture benefits in its long-term care insurance policies? If not, please identify which are **not offered in Massachusetts**.

YES	NO

Nonforfeiture type (LIST)	NOT offered in MA 2002	NOT offered in MA 2003	NOT offered in MA 2004

FEDERALLY TAX-QUALIFIED PLANS  
STATE MASSHEALTH (MEDICAID) QUALIFIED PLANS

<Insert Company Name here>

Federally Tax-Qualified Plans

1) Please complete the following tables to indicate how many **federally tax-qualified policies** (or certificates) were issued **Nationally anytime** in calendar years 2002, 2003 and 2004.

YEAR OF ISSUE	Total number of federally tax-qualified policies issued in 2002	Of total sold in 2002 identify the total number of federally tax- qualified polices still in force at end of 2002	Of total sold in 2002 identify the total number of federally tax- qualified polices still in force at end of 2003	Of total sold in 2002 identify the total number of federally tax- qualified polices still in force at end of 2004
2002				

YEAR OF ISSUE	Total number of federally tax-qualified policies issued in 2003	Of total sold in 2003 identify the total number of federally tax- qualified polices still in force at end of 2003	Of total sold in 2003 identify the total number of federally tax- qualified polices still in force at end of 2004
2003			

YEAR OF ISSUE	Total number of federally tax-qualified policies issued in 2004	Of total sold in 2004 identify the total number of federally tax- qualified polices still in force at end of 2004
2004		

2) Please complete the following tables to indicate how many **federally tax-qualified policies** (or certificates) were issued **in Massachusetts anytime** during calendar years 2002, 2003 and 2003.

YEAR OF ISSUE	Total number of federally tax-qualified policies issued in 2002	Of total sold in 2002 identify the total number of federally tax- qualified polices still in force at end of 2002	Of total sold in 2002 identify the total number of federally tax- qualified polices still in force at end of 2003	Of total sold in 2002 identify the total number of federally tax- qualified polices still in force at end of 2004
2002				

YEAR OF ISSUE	Total number of federally tax-qualified policies issued in 2003	Of total sold in 2003 identify the total number of federally tax- qualified polices still in force at end of 2003	Of total sold in 2003 identify the total number of federally tax- qualified polices still in force at end of 2004
2003			

YEAR OF ISSUE	Total number of federally tax-qualified policies issued in 2004	Of total sold in 2004 identify the total number of federally tax- qualified polices still in force at end of 2004
2004		

FEDERALLY TAX-QUALIFIED PLANS

STATE MASSHEALTH (MEDICAID) QUALIFIED PLANS

<Insert Company Name here>

State MassHealth (Medicaid) Qualified Plans

- 1) Please complete the following table to indicate how many policies or certificates were issued that were issued in Massachusetts during calendar years 2002, 2003 and 2004 that indicated on the policy that they were intended to qualify for certain **MassHealth exemptions** (as displayed on cover page of policy forms):

YEAR OF ISSUE	Total number of MassHealth exemption policies issued	Of total sold in 2002 identify the total number of MassHealth exempt policies still in force at end of 2002	Of total sold in 2002 identify the total number of MassHealth exempt policies still in force at end of 2003	Of total sold in 2002 identify the total number of MassHealth exempt policies still in force at end of 2004
2002				

YEAR OF ISSUE	Total number of MassHealth exemption policies issued in 2003	Of total sold in 2003 identify the total number of MassHealth exempt policies still in force at end of 2003	Of total sold in 2003 identify the total number of MassHealth exempt policies still in force at end of 2004
2003			

YEAR OF ISSUE	Total number of MassHealth exemption policies issued in 2004	Of total sold in 2004 identify the total number of MassHealth exempt policies still in force at end of 2004
2004		

PRICING - INCLUDING SINGLE PREMIUM

<Insert Company Name here>

- 1) What **percentage** of your long-term care policies **Nationally** had any of the following restrictions on rate changes?

Restrictions on Ratings		2002	2003	2004
Restrictions on magnitude of allowable increases (such as flex bands)	Permenant level premium			
	Temporary level premium			
	Attained age			
	Other (Please List):			

- 2) What **percentage** of your long-term care policies in **Massachusetts** had any of the following restrictions on rate changes?

Restrictions on Ratings		2002	2003	2004
Restrictions on magnitude of allowable increases (such as flex bands)	Permenant level premium			
	Temporary level premium			
	Attained age			
	Other (Please List):			

PRICING - INCLUDING SINGLE PREMIUM

<Insert Company Name here>

- 3) What was the **average annual premium** paid, **Nationally**, in 2002, 2003 and 2004 for policies issued in 2002, 2003 and 2004? Please complete the following table:

POLICY YEAR	Of policies sold in 2002 identify the average annual premium in 2002	Of policies sold in 2002 identify the average annual premium in 2003	Of policies sold in 2002 identify the average annual premium in 2004
2002			

POLICY YEAR	Of policies sold in 2003 identify the average annual premium in 2003	Of policies sold in 2003 identify the average annual premium in 2004
2003		

POLICY YEAR	Of policies sold in 2004 identify the average annual premium in 2004
2004	

PRICING - INCLUDING SINGLE PREMIUM

<Insert Company Name here>

- 4) What was the **average annual premium** paid, in **Massachusetts**, in 2002, 2003 and 2004 for policies issued in 2002, 2003 and 2004? Please complete the following table:

POLICY YEAR	Of policies sold in 2002 identify the average annual premium in 2002	Of policies sold in 2002 identify the average annual premium in 2003	Of policies sold in 2002 identify the average annual premium in 2004
2002			

POLICY YEAR	Of policies sold in 2003 identify the average annual premium in 2003	Of policies sold in 2003 identify the average annual premium in 2004
2003		

POLICY YEAR	Of policies sold in 2004 identify the average annual premium in 2004
2004	

- 5) What **percentage** of your **National** non-group long-term care insurance policies sold by year are single premium or noncancellable?

Year Sold	Percentage
2002	
2003	
2004	

- 6) What **percentage** of your **National** single premium or noncancellable non-group long-term care insurance policies had claims within the following months of purchase?

< 12 months  
12 - 24 months  
none before death of policyholder

2002	2003	2004
		na

PRICING - INCLUDING SINGLE PREMIUM

<Insert Company Name here>

7) What **percentage** of your **National** single premium or noncancellable long-term care insurance products have the following components **by year sold**?

	2002	2003	2004
assisted living			
home health			
inflation protection			
nonforfeiture			
nursing home			

8) What **percentage** of your **Massachusetts** non-group long-term care insurance policies are single premium or noncancellable?

Year Sold	Percentage
2002	
2003	
2004	

9) What **percentage** of your **Massachusetts** single premium or noncancellable non-group long-term care insurance policies had claims within the following months of purchase?

	2002	2003	2004
< 12 months			
12 - 24 months			na
none before death of policyholder			

10) What **percentage** of your **Massachusetts** single premium or noncancellable long-term care insurance products have the following components **by year sold**?

	2002	2003	2004
assisted living			
home health			
inflation protection			
nonforfeiture			
nursing home			

LAPSE RATE AND POLICY REPLACEMENT

<Insert Company Name here>

- 1) Please complete the following table to indicate how many policies (or certificates) initially issued **Nationally** during calendar year 2002 were still in force at the end of 2002, 2003 and 2004 respectively. Please complete the same information for policies (or certificates) that were initially issued **Nationally** during 2003 and 2004 that were still in force at the end of 2003 and 2004 respectively:

Policies in force at end of	Year of Purchase 2002	Year of Purchase 2003	Year of Purchase 2004
2002		n.a.	n.a.
2003			n.a.
2004			

- 2) Please complete the following table to indicate how many policies (or certificates) that were initially issued in **Massachusetts** anytime during calendar year 2002 were still in force at the end of 2002 and 2003? Please complete the same information for policies (or certificates) that were initially issued in **Massachusetts** during 2003 and 2004 that were still in force at the end of 2003 and 2004 respectively:

Policies in force at end of	Year of Purchase 2002	Year of Purchase 2003	Year of Purchase 2004
2002		n.a.	n.a.
2003			n.a.
2004			

- 3) What was the average yearly mortality rate during the first two years of coverage for persons purchasing long-term care insurance **Nationally** in 2002?

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- 4) What was the average yearly mortality rate during the first two years of coverage for **Massachusetts** persons who purchased your company’s long-term care insurance products anytime in 2002?

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- 5) What is the average yearly rate that policy benefits were triggered during the first two years of coverage for persons who purchased your company’s long-term care insurance products anytime **Nationally** 2002?

--

- 6) What is the average yearly rate that policy benefits were triggered during the first two years of coverage for persons purchasing long-term care insurance in 2002 in **Massachusetts**?

--

LAPSE RATE AND POLICY REPLACEMENT

<Insert Company Name here>

7) Did your company offer in any of its long-term care insurance policies offered **Nationally** in 2002, 2003 or 2004 that provided policyholders the right to designate a person other than the policyholder to receive notice of lapse or termination?

Policy Year	YES	NO
2002		
2003		
2004		

8) For purposes of this report, please complete the following table to indicate how many policies (or certificates) were issued in **Massachusetts** during calendar year **2002, 2003 and 2004** as well as the number of policyholders that elected the right to designate a person other than the policyholder to receive notice of lapse or termination :

Policy Year	Policies issued	# elected designee
2002		
2003		
2004		

9) In **Massachusetts**, when a customer allows an existing policy **from a different company** to lapse and replaces the lapsed policy with a comparable new policy from your company, your company rates the new policy based upon the policyholder’s [check (√) only one]:

Current age

Age at first purchase

Other (please list):


10) In **Massachusetts**, when a customer allows an existing policy **from your company** to lapse and replaces the lapsed policy with a comparable new policy from your company, your company rates the new policy based upon the policyholder’s [check (√) only one]:

Current age

Age at first purchase

Other (please list):


LAPSE RATE AND POLICY REPLACEMENT

<Insert Company Name here>

11) In **Massachusetts**, when a customer is issued a policy **from a different company** and purchases an upgraded policy from your company, your company rates the new policy based upon the policyholder’s [check (√) only one]:

Current age	
Age at first purchase	
Other (please list):	

12) In **Massachusetts**, when a customer is issued a policy **from your company** and purchases an upgraded policy from your company, your company rates the new policy based upon the policyholder’s [check (√) only one]:

Current age	
Age at first purchase	
Other (please list):	

13) What controls or systems does your company have in place regarding replacement of long-term care policies with non-forfeiture provisions?

14) When did your company implement controls described in your response to question #13 of this section?

15) Have the controls, described in your response to question #13 of this section, detected and/or prevented any inappropriate sales? Please describe.

ACCELERATED DEATH BENEFITS - LIFE AND DISABILITY INSURANCE

<Insert Company Name here>

- 1) Does your company currently sell accelerated death benefit riders? If yes, please describe the eligibility requirements. [checkmark (√)]

	YES	NO
In Massachusetts		
Nationally		

If **yes**, please describe the eligibility requirements.

Nationally -

Massachusetts -

- 2) What is the total number of accelerated death benefit riders (or policy amendments) that your company had in force **Nationally** on December 31:

2002	2003	2004

- 3) What is the total number of accelerated death benefit riders (or policy amendments) that your company had in force in **Massachusetts** on December 31:

2002	2003	2004

- 4) Please identify the gross premium revenue your company receive from accelerated death benefits **Nationally** in 2002, 2003 and 2004.

2002	2003	2004

- 5) Please identify the gross premium revenue your company receive from accelerated death benefits in **Massachusetts** in 2002, 2003 and 2004.

2002	2003	2004

- 6) What was the **average age** of accelerated death benefit policyholders **Nationally** by year?

2002	2003	2004

- 7) What was the **average age** of accelerated death benefit policyholders in **Massachusetts** by year?

2002	2003	2004

QUESTIONS PERTAINING TO EMPLOYMENT-BASED GROUP POLICIES ONLY

<Insert Company Name here>

According to 211 CMR 65.04, the term “**employment-based group policy**” is defined as a certificate issued to an insured who is enrolled in a group policy issued to one or more employers or labor organizations, or to trustees of a fund established by one or more employers or labor organizations, or combination thereof, for employees or former employees, or a combination thereof, or for members or former members, or a combination thereof, of the labor organization.”

- 1) What **percentage** of group policies issued in **Massachusetts** in 2004 were sold through entities other than employers or labor unions?

If applicable, please list those other entities:
- 2) What **percentage** of group policies issued in **Massachusetts** in 2004 were issued through entities (*e.g.* , agents and brokers) that receive a commission or other remuneration for selling insurance?
- 3) What **percentage** of group policies issued in **Massachusetts** in 2004 were guaranteed renewable?
- 4) What **percentage** of group policies issued in **Massachusetts** in 2004 have elimination periods that do not exceed 100 days?
- 5) What **percentage** of group policies issued in **Massachusetts** in 2004 contain a reinstatement provision?
- 6) What are the terms of the reinstatement provision?
- 7) What **percentage** of group policies issued in **Massachusetts** in 2004 allow for alternate care benefits?
- 8) What **percentage** of group policies issued in **Massachusetts** in 2004 allow for post-claims underwriting?
- 9) What **percentage** of group policies issued in **Massachusetts** in 2004 require the insured or claimant to have an acute condition as a precedent to home health care benefits?

QUESTIONS PERTAINING TO EMPLOYMENT-BASED GROUP POLICIES ONLY

<Insert Company Name here>

10) What **percentage** of group policies issued in **Massachusetts** in 2004 require a stay in a hospital as a condition precedent to receipt of nursing home benefits?

11) What **percentage** of group policies issued in **Massachusetts** in 2004 require a stay in a hospital as a condition precedent to receipt of home health care benefits?

12) What **percentage** of group policies issued in **Massachusetts** in 2004 require a stay in a nursing home as a condition precedent to receipt of home health care benefits?

13) What **percentage** of group policies issued in **Massachusetts** in 2004 contain an exclusion for Alzheimer's disease?

14) What **percentage** of group policies issued in **Massachusetts** in 2004 contain an exclusion for a mental or nervous disease (other than Alzheimer's disease)?

Please list the diseases:

15) What **percentage** of group policies issued in **Massachusetts** in 2004 contain an exclusion for alcoholism or other chemical dependency?

16) Currently, when a group policy is terminated in **Massachusetts** while an insured is confined to a nursing home, please indicate the date when benefits cease? [check (√) the applicable box]:

Date of group termination.	<input type="text"/>
The date the insured is discharged from the nursing home	<input type="text"/>
When the policy lifetime maximum benefit period has expired	<input type="text"/>
Policy lifetime maximum benefit amount for nursing home benefits exhausted	<input type="text"/>
Other, please explain:	<div></div>

QUESTIONS PERTAINING TO EMPLOYMENT-BASED GROUP POLICIES ONLY

<Insert Company Name here>

17) What **percentage** of group policies issued in **Massachusetts** in 2004 have the following employer/union and employee contributions towards premium?

Employee pays all of premium	
Employer/union pay all premium	
Premium sharing arrangement	

18) What is the **average percentage** of the total premium, for group policies issued in **Massachusetts** in 2004, that is paid by the employer and the percentage that is paid by the employee?

paid by employer	
paid by employee	

GROUP POLICIES ISSUED THROUGH A GROUP TRUST OR GROUP ASSOCIATION ONLY

<Insert Company Name here>

According to 211 CMR 65.04, the term “group policy” is defined as the “certificate issued to an insured who is enrolled through a group trust or association to which the carrier has issued a long-term care insurance policy. For the purposes of 211 CMR 65.00, this does not include employment-based group policies.”

1) What **percentage** of policies issued **Nationally** in 2004 were sold through group trust or association?

2) What **percentage** of policies issued in **Massachusetts** in 2004 were sold through group trust or association?

If applicable, please list each group trust or association:

3) What **percentage** of group trust or association policies issued in **Massachusetts** in 2004 were guaranteed renewable?

4) What **percentage** of group trust or association policies issued in **Massachusetts** in 2004 have elimination periods that do not exceed 100 days?

5) What **percentage** of group trust or association policies issued in **Massachusetts** in 2004 contain a reinstatement provision?

6) What are the terms of the reinstatement provision?

7) What **percentage** of group trust or association policies issued in **Massachusetts** in 2004 allow for alternate care benefits?

8) What **percentage** of group trust or association policies issued in **Massachusetts** in 2004 allow for post-claims underwriting?

9) What **percentage** of group trust or association policies issued in **Massachusetts** in 2004 require the insured or claimant to have an acute condition as a precedent to home health care benefits?

10) What **percentage** of group trust or association policies issued in **Massachusetts** in 2004require a stay in a hospital as a condition precedent to receipt of nursing home benefits?

GROUP POLICIES ISSUED THROUGH A GROUP TRUST OR GROUP ASSOCIATION ONLY

<Insert Company Name here>

11) What **percentage** of group trust or association policies issued in **Massachusetts** in 2004 require a stay in a hospital as a condition precedent to receipt of home health care benefits?

12) What **percentage** of group trust or association policies issued in **Massachusetts** in 2004 require a stay in a nursing home as a condition precedent to receipt of home health care benefits?

13) What **percentage** of group trust or association policies issued in **Massachusetts** in 2004 contain an exclusion for Alzheimer’s disease?

14) What **percentage** of group trust or association policies issued in **Massachusetts** in 2004 contain an exclusion for a mental or nervous disease (other than Alzheimer’s disease)?  
Please list the diseases:

15) What **percentage** of group policies issued in **Massachusetts** in 2004 contain an exclusion for alcoholism or other chemical dependency?

16) When group trust or association policies are terminated in **Massachusetts** while an insured is confined to a nursing home, please indicate the date when benefits cease?  
[check (√) the applicable box]:

Date of group termination

The date the insured is discharged from the nursing home

When the policy lifetime maximum benefit period has expired

Policy lifetime maximum benefit amount for nursing home benefits exhausted

Other, please explain:

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