

III. PERSONS COVERED BY LTCI

A. *Massachusetts*⁶

As of December 31, 2008, **152,858** Massachusetts residents held LTCI plans - **97,644** (64%) with individual LTCI plans and **55,214** (36%) with coverage through group LTCI plans. The number of Massachusetts persons with LTCI coverage grew by 26,167 or 21% above the 126,691 Massachusetts persons with LTCI coverage as of December 31, 2004.

Massachusetts LTCI Membership

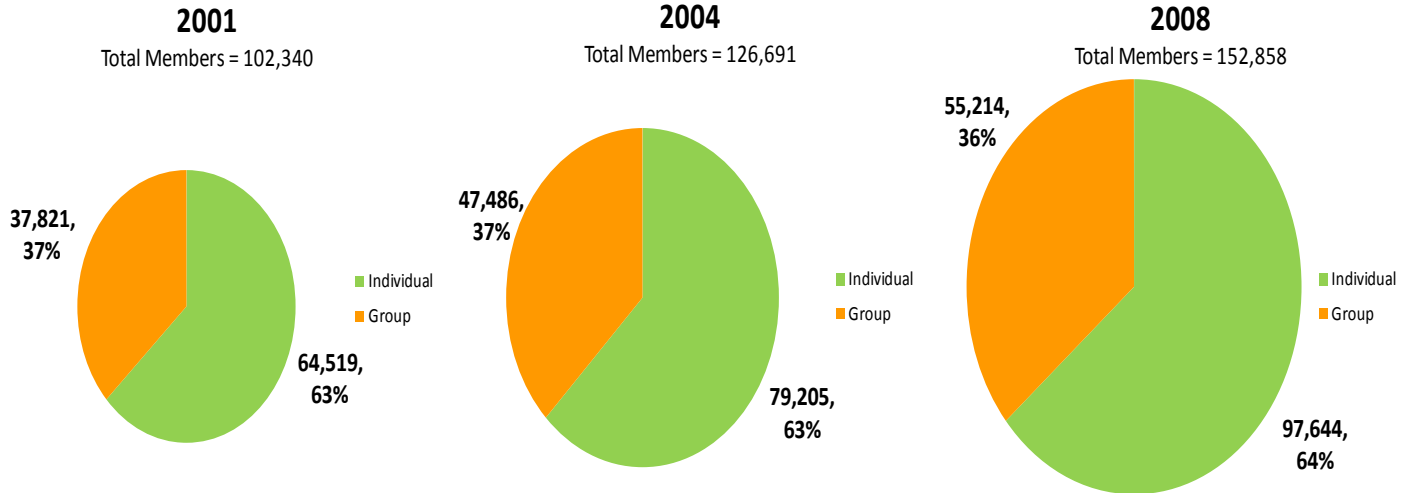


Exhibit 1

In 2008, LTCI companies collected **\$258 million** in Massachusetts-based premium revenue - **\$215.5 million** (84%) from individual policies and **\$42.5 million** (16%) from group coverage. Since individual policies generally cost more than group coverage, individual policies' proportion of total revenue is greater than individual policies' share of total membership.

Massachusetts LTCI Revenue (in millions of dollars)

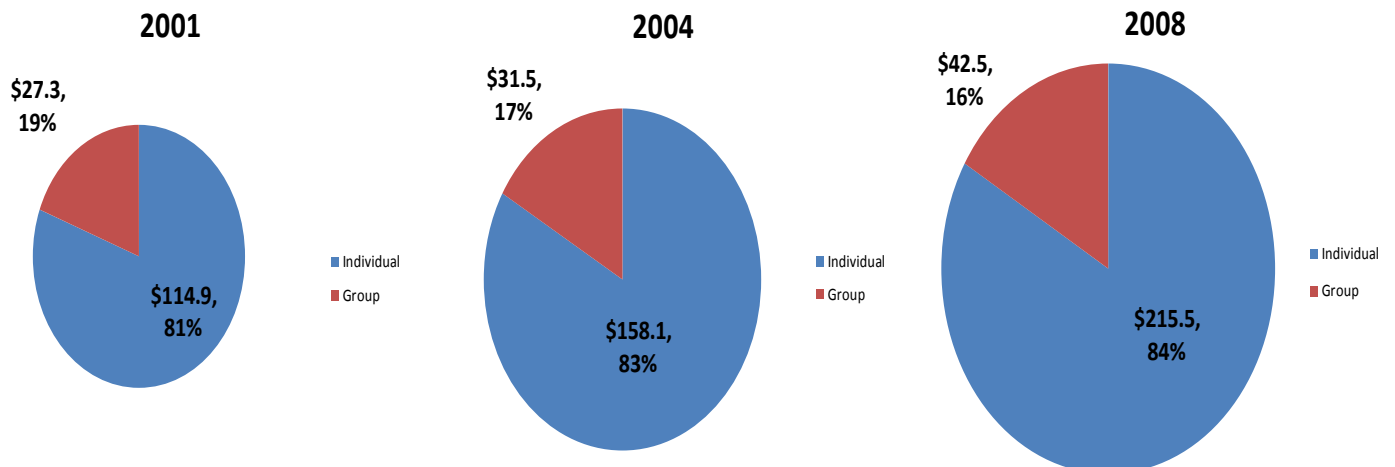


Exhibit 2

B. National ⁷

As of December 31, 2008, **5,846,780** residents nationally held LTCI plans - **3,839,844** persons (66%) with individual LTCI plans and **2,006,936** (34%) with coverage through group LTCI plans. Total Massachusetts' policyholders (including individual and group) reflect 2.6% of national policyholders.

The number of persons with LTCI coverage nationally grew by 776,997 or 15% above the 5,069,783 persons with LTCI coverage as of December 31, 2004.

National LTCI Membership

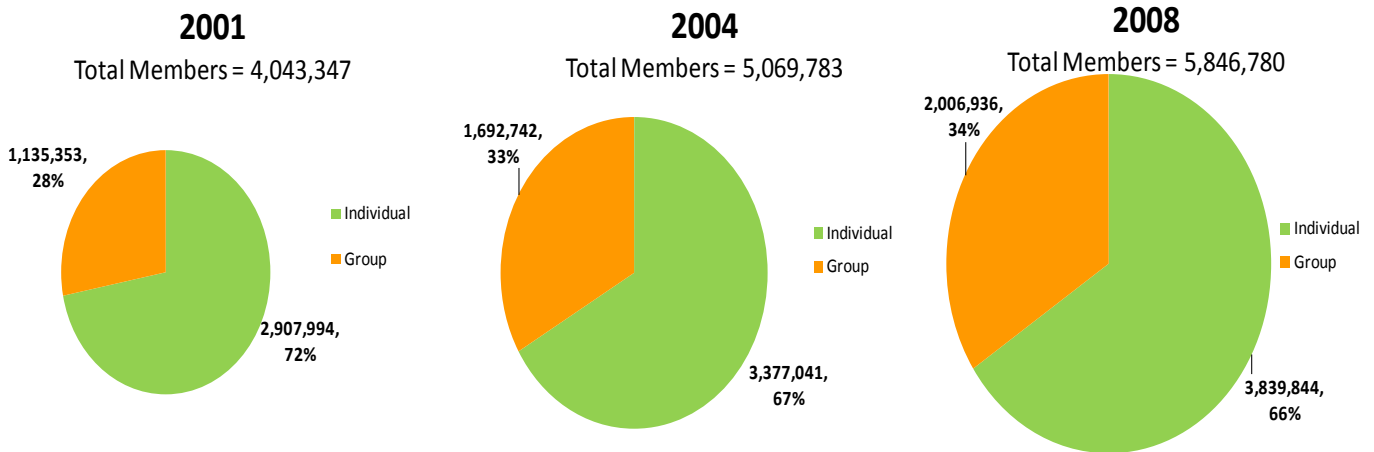


Exhibit 3

In 2008, LTCI companies collected over **\$8.3 billion** nationally in premium revenue - **\$7.056 billion** (84%) from individual policies and **\$1.323 billion** (16%) from group coverage. As noted previously, since individual policies generally cost more than group coverage, individual policies' proportion of total revenue is greater than individual policies' share of total membership.

National LTCI Revenue (in millions of dollars)

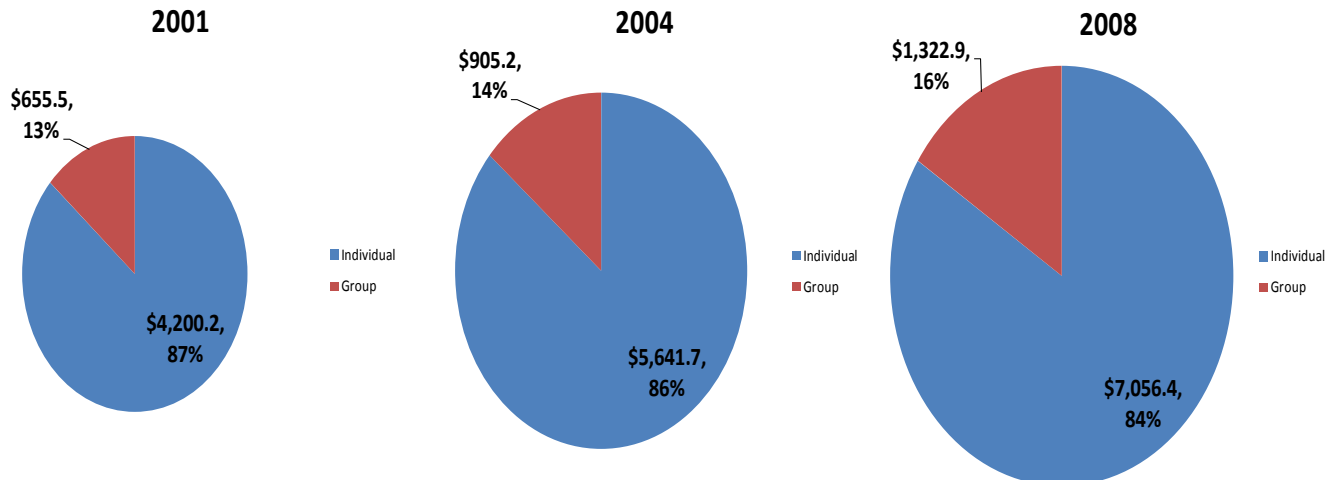


Exhibit 4