

SERFF Tracking #:

LTCG-128962385

State Tracking #:

Company Tracking #:

AGL RI4 DC

State: District of Columbia

Filing Company:

American General Life Insurance Company

TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.003 Other

Product Name: AGL Individual Long Term Care Insurance

Project Name/Number: AGL Rate Increase 4 Filing/AGL RI4 DC

### Rate Information

Rate data applies to filing.

Filing Method: Review and Approval - SERFF

Rate Change Type: Increase

Overall Percentage of Last Rate Revision: 10.000%

Effective Date of Last Rate Revision: 11/01/2012

Filing Method of Last Filing: Review and Approval - SERFF

### Company Rate Information

Company Name:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	# of Policy Holders Affected for this Program:	Written Premium for this Program:	Maximum % Change (where req'd):	Minimum % Change (where req'd):
American General Life Insurance Company	564.000%	25.000%	\$2,031	4	\$8,122	25.000%	25.000%

**SERFF Tracking #:**

LTCG-128962385

**State Tracking #:****Company Tracking #:**

AGL RI4 DC

**State:**

District of Columbia

**Filing Company:**

American General Life Insurance Company

**TOI/Sub-TOI:**

LTC03I Individual Long Term Care/LTC03I.003 Other

**Product Name:**

AGL Individual Long Term Care Insurance

**Project Name/Number:**

AGL Rate Increase 4 Filing/AGL RI4 DC

## Rate/Rule Schedule

Item No.	Schedule Item Status	Document Name	Affected Form Numbers (Separated with commas)	Rate Action	Rate Action Information	Attachments
1		Rate Sheets - Current and Proposed	64028, C12271, 64031, 64032	Revised	Previous State Filing Number: LTCG-128234345 Percent Rate Change Request: 25	AGL RI4 DC Current and Proposed Rates.pdf,

**Current and Proposed Rates**

**American General Life Insurance Company**  
**Policy Form Series 64028**  
**Current and Proposed Premium by Policyholder**

Issue State	Sex	Issue Age	DBA	Benefit Period	Elimination Period	Home Health Percent	Inflation	Spousal Discount	Current Premium (after 10% Rate Increase effective 11/1/2012)	Proposed Premium (after Requested Rate Increase)*	% Change
DC	M	60	130	3 Year	100 Days	100%	NONE	Yes	\$1,062.90	\$1,329.00	25.0%
DC	F	57	187	5 Year	100 Days	100%	COMP	No	\$3,398.00	\$4,248.00	25.0%
DC	F	73	150	2 Year	100 Days	100%	NONE	No	\$2,958.00	\$3,698.00	25.0%
DC	F	59	130	3 Year	100 Days	100%	NONE	Yes	\$702.90	\$879.00	25.1%

SERFF Tracking #:

LTCG-128962385

State Tracking #:

Company Tracking #:

AGL RI4 DC

State:

District of Columbia

Filing Company:

American General Life Insurance Company

TOI/Sub-TOI:

LTC03I Individual Long Term Care/LTC03I.003 Other

Product Name:

AGL Individual Long Term Care Insurance

Project Name/Number:

AGL Rate Increase 4 Filing/AGL RI4 DC

## Supporting Document Schedules

<b>Satisfied - Item:</b>	Actuarial Justification
<b>Comments:</b>	
<b>Attachment(s):</b>	AGL RI4 DC Actuarial Memorandum w Exhibits A through D.pdf
<b>Item Status:</b>	
<b>Status Date:</b>	
<b>Satisfied - Item:</b>	Third Party Filer Authorization
<b>Comments:</b>	
<b>Attachment(s):</b>	AGL Univita Auth 2013 2013.pdf
<b>Item Status:</b>	
<b>Status Date:</b>	
<b>Satisfied - Item:</b>	Cover Letter
<b>Comments:</b>	
<b>Attachment(s):</b>	DC RI4 Cover Letter.pdf
<b>Item Status:</b>	
<b>Status Date:</b>	

## American General Life Insurance Company

### Actuarial Justification of Premium Rate Increase For Individual Long Term Care Policy Form Series 64028

#### 1. PURPOSE OF FILING

This is a rate increase filing for American General Life Insurance Company's (formerly American General Life Insurance Company of Delaware) existing Long Term Care policy form series 64028. The purpose of this filing is to demonstrate that the anticipated loss ratio for this form meets the minimum requirements of this state. This rate filing is not intended to be used for any other purposes.

#### 2. SCOPE OF FILING

This filing applies to the Company's Long Term Care policy and rider forms summarized below:

*Series LTC-1*

Policy Form 64028- Non-Tax Qualified

Rider Form C12271 Tax Qualified

Rider Form 64031 (Inflation Benefit)

Rider Form 64032 (Nonforfeiture Benefit)

The rate increase will apply to all insureds issued coverage under the above referenced forms in this state. The number of policyholders and average premiums before and after the rate increase are shown in Exhibit A.

The rate increase will apply to in-force business only as the company stopped selling Long Term Care policies in 2001.

#### 3. REASON FOR RATE INCREASE REQUEST

This rate filing is a request for a 25% increase. While a rate increase larger than 25% can be justified at this time, the company is currently not seeking a higher increase. Instead the company will continue to monitor emerging experience and review whether an additional rate increase is necessary.

The product was originally priced for a 61% lifetime loss ratio. Exhibit B provides the originally filed loss ratios for this policy by duration. This filing demonstrates that if future experience is consistent with original pricing lapse rates and interest, and best estimate mortality and morbidity, and historical earned premium is restated at historical District of Columbia rate levels, the actual lifetime loss ratio will be 119.0%. A 25% rate increase is needed to bring the anticipated lifetime loss ratio closer to the original filed lifetime loss ratio.

The proposed effective date is as soon as possible following approval and fulfillment of all statutory and contractual requirements. The District of Columbia requires that cumulative premium rate increases greater than 10% be phased in annually in increments of 10%. The proposed effective date of the first 10% increase will be November 1, 2013. The proposed

March 26, 2013

## American General Life Insurance Company

### Actuarial Justification of Premium Rate Increase For Individual Long Term Care Policy Form Series 64028

effective date of the second 10% increase would be 11/1/2014, the third increase of 5% would become effective 11/1/2015.

#### 4. RATE INCREASE HISTORY

There have been three previous rate increases on the policies included in this filing:

Approval Date	Percentage Increase
10/8/2008	21%
3/3/2011	10%
5/30/2012	10%

Exhibit C displays the rate history and filing status for Policy Form Series 64028. More than two-thirds of the states have approved a fourth rate increase and more than one-third have approved a fifth rate increase. In addition, several have approved a sixth rate increase.

The national average cumulative rate increase is 122.3% whereas the cumulative rate increase approved in the District of Columbia is only 46.4%. Please consider that policyholder premiums in the District of Columbia are considerably lower than premiums for policies with similar coverage in other states. Policyholders from other states are subsidizing policy holders in the District of Columbia.

#### 5. PRODUCT BENEFITS AND DESCRIPTION

A. Long Term Care Facility Benefit – Pays covered expenses incurred up to the daily maximum benefit elected. Allowable long term care facilities include the following:

- Nursing home facility
- Assisted living facility

B. Home and Community Care Benefit – Pays covered expenses incurred up to the daily maximum benefit selected. The daily maximum benefit may be 100%, 50%, or 0% of the long term care facility benefit. Allowable home health care services include the following:

- Professional nursing care,
- Therapy services,
- Assistance with activities of daily living, and
- Adult day care

C. Daily Maximum Benefit – Amounts will be offered in \$10 increments with a minimum of \$50 per day.

## American General Life Insurance Company

### Actuarial Justification of Premium Rate Increase For Individual Long Term Care Policy Form Series 64028

D. Lifetime Elimination Period – An insured must satisfy the elimination period before benefits are payable. The elimination period needs to be fulfilled only once per lifetime. Available elimination periods include 0, 7, 14, 20, 30, 60, and 100 days.

E. Maximum Benefit Amount – The maximum benefit amount is a pool of money equal to the daily maximum benefit multiplied by a factor. Available factors include 730, 1095, 1460, 1825, and Unlimited.

F. Benefit Eligibility Criteria – Policy Form 64028 - The benefit eligibility criteria require that one of the following be necessary: assistance from another person with 2 or more of 6 Activities of Daily Living (ADLs); or supervision due to cognitive impairment. For nursing home benefits, a covered person may also qualify for benefits based on medical necessity. The six ADLs are bathing, dressing, continence, eating, toileting, and transferring.

Rider Form C12271 – The benefit eligibility criteria require substantial assistance with 2 of 6 Activities of Daily Living (ADLs) or Severe Cognitive Impairment. The six ADLs are bathing, dressing, continence, eating, toileting, and transferring.

G. Additional Benefits (see Policy for additional detail)

- Respite care, up to 30 days per calendar year up to the appropriate facility care or home care daily maximum per day.
- Caregiver training, up to five times the home health care daily benefit over the policy lifetime.
- Emergency response system, not to exceed \$50 per month, payable as long as a person is receiving home health care benefits
- Personal care specialist, to develop a plan of care prior to payments of any home health care or community based services. The cost of the Personal Care Specialist is not charged against the lifetime benefit account nor will it reduce the daily maximum benefit available for covered care or services.
- Bed reservation, 30 days per calendar year for all facility care benefits.
- Premiums are waived after benefits in the policy have been payable for 90 days.

H. Optional Benefits (see Policy for additional detail)

- Compound inflation protection, to increase scheduled benefits by 5% on each policy anniversary
- Nonforfeiture benefit

## 6. RENEWABILITY

This coverage is Guaranteed Renewable. Premiums may change only if the company changes premiums for all similar policies in the District of Columbia for this policy form.

## American General Life Insurance Company

### Actuarial Justification of Premium Rate Increase For Individual Long Term Care Policy Form Series 64028

#### 7. MARKETING METHODS & UNDERWRITING METHODS

Since the product was marketed from April 1997 through October 2001, this is not applicable.

#### 8. ISSUE AGE LIMITS

Issue age limits were 18 to 89.

#### 9. CREDIBILITY

To ascribe credibility to actual experience we follow an approach by the Credibility Subgroup of the American Academy of Actuaries Long-Term Care Reserving Work Group. In applying this approach to the company's block of business, we begin with limited fluctuation credibility theory which states the standard for full credibility based on claim incidence is 1,082 claims. This is the minimum number of claims needed to be 90% confident that the actual number of claims is within 5% of expected. To obtain the standard for full credibility based on aggregate loss, we multiply the standard for full credibility based on claim incidence by one plus the square of the coefficient of variation of the individual loss distribution. This value is 2,455 and is the minimum expected number of claims needed to be 90% confident that the actual aggregate loss is within 5% of expected.

The most recent experience study completed for this block of business includes experience for 2,718 claims. District of Columbia experience includes 3 of the 2,718 claims and is considerably less credible than nationwide experience. As a result, nationwide experience is used to justify the requested rate increase.

#### 10. PROJECTION ASSUMPTIONS

**Interest** - A 5.0% effective annual rate of interest has been assumed for accumulating historical experience and for discounting projected future experience and is consistent with that used in the initial filing. Current best estimate assumptions assume a 5.5% rate of interest.

**Mortality** - 1994 Group Annuitant Mortality (GAM) with underwriting selection factors and projected mortality improvement based on the AA projection scale for first 20 policy years. All policies inforce are at duration ten or greater.

Policy Duration	Mortality Selection Factor	
	Male	Female
7	0.50	0.34
8+	0.55	0.37

The original pricing assumed mortality equal to 90% of the 1979-81 U.S. Population Mortality Table.

March 26, 2013

## American General Life Insurance Company

### Actuarial Justification of Premium Rate Increase For Individual Long Term Care Policy Form Series 64028

**Voluntary Lapse Rates** - Actual voluntary lapse rates have been considerably lower than pricing assumptions. The following table displays original pricing lapse rates.

<b>Original Pricing Lapse Rates</b>	
<b>Duration</b>	<b>Lapse Rate</b>
1	24%
2	20%
3	10%
4	10%
5	8%
6	7%
7	6%
8+	5%

Voluntary lapse assumptions are based on actual lapse experience between January 1, 2004 and April 20, 2012. Actual lapse rates were studied separately for lapses unrelated to rate increases and for shock lapses due to rate increases.

The following table displays the actual experience lapse rates unrelated to rate increases for durations 7 and greater. All policies in force are at duration ten or greater.

<b>Exposure Period</b>	<b>Policy Duration</b>	<b>Actual Experience Lapse Rates Unrelated to Rate Increases</b>							
		<b>&lt;50</b>	<b>50-59</b>	<b>60-64</b>	<b>65-69</b>	<b>70-74</b>	<b>75-79</b>	<b>80+</b>	<b>Total</b>
All Years	7+	3.5%	1.6%	1.3%	1.4%	1.8%	2.0%	1.6%	1.6%

Best estimate lapse assumptions for lapses unrelated to rate increases are displayed in the table below:

<b>Best Estimate Lapse Rates Unrelated to Rate Increases</b>							
<b>Duration</b>	<b>&lt;50</b>	<b>50-59</b>	<b>60-64</b>	<b>65-69</b>	<b>70-74</b>	<b>75-79</b>	<b>80+</b>
8+	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%

Actual experience lapse rates for lapses due to rate increases are displayed in the table below:

<b>Shock Lapse Experience by Rate Increase All Policy Years</b>			
<b>Rate Increase</b>	<b>Exposure</b>	<b>Terminations</b>	<b>Actual Shock Lapse</b>
Rate Increase 1	2,908	105	3.5%
Rate Increase 2	5,107	234	4.5%
Rate Increase 3	4,345	285	6.3%
Rate Increase 4	1,955	99	4.9%

## American General Life Insurance Company

### Actuarial Justification of Premium Rate Increase For Individual Long Term Care Policy Form Series 64028

Rate Increase 5	504	41	7.8%
Rate Increases 3,4 & 5	6,804	425	6.1%

Best estimate lapse assumptions used in the projections include an annual shock lapse rate of 6% for future rate increases. As a result, it is likely that this business will experience adverse selection. However, adverse selection has not been factored into morbidity assumptions.

In addition, we increase policy termination rates to reflect claimants that either exhaust benefits or die while on claim.

**Morbidity** - Morbidity assumptions vary by gender, attained age and plan design and are based on American General Life Insurance Company's actual experience, long term care insured experience of Univita administrative clients, numerous studies of non-insurance data, LTC insurance industry data and judgment. We adjusted the starting claim costs to reflect:

- Inflation on claim – 4.5% for plans with inflation
- Reduced exposure for insureds already on claim
- Morbidity improvement of 1% per year for the first 20 policy years

#### 11. MINIMUM REQUIRED LIFETIME LOSS RATIO

The minimum required lifetime loss ratio for these forms is 60%.

#### 12. PROJECTED FUTURE EXPERIENCE

Future experience, which has been projected for forty years using original pricing lapse and interest and best estimate mortality and morbidity assumptions described in Section 5, is shown on Page 1 of Exhibit D. Nationwide earned premiums have been restated to historical District of Columbia rate levels. The following table summarizes the nationwide anticipated future loss ratio without the requested rate increase:

<b>Nationwide Future Experience Best Estimate Assumptions Without Rate Increase</b>		
<b>Earned Premium Projected At Current D.C. Rate Levels</b>	<b>Incurred Claims</b>	<b>Loss Ratio</b>
\$84,808,945	\$312,124,215	368.0%

## American General Life Insurance Company

### Actuarial Justification of Premium Rate Increase For Individual Long Term Care Policy Form Series 64028

#### 13. HISTORICAL EXPERIENCE

Nationwide experience from 4/1/1997 through 12/31/2012 is shown in Exhibit D. This data includes claim payments through 12/31/2012. The following table summarizes the nationwide historical loss ratio accumulated at 5.0% interest to 12/31/2012:

<b>Nationwide Historical Actual Experience</b>		
<b>Earned Premium at Historical D.C. Rate Levels</b>	<b>Incurred Claims</b>	<b>Loss Ratio</b>
\$401,177,923	\$266,264,086	66.4%

#### 14. LIFETIME ANTICIPATED LOSS RATIO

The lifetime anticipated loss ratio is defined as the present value of the historical and projected future incurred claims divided by the present value of the historical and projected future earned premiums. Page 1 of Exhibit D also provides a projection of these values with a 25% rate increase implemented in calendar year 2013. Nationwide results are summarized below:

<b>Anticipated Lifetime Loss Ratio Rate Increase = 25%</b>			
<b>Time Period</b>	<b>Earned Premium At Historical/Projected D.C. Rate Levels</b>	<b>Incurred Claims</b>	<b>Loss Ratio</b>
Future	\$102,126,620	\$312,179,819	305.7%
Lifetime	\$503,304,543	\$578,443,905	114.9%

If future experience is consistent with original pricing lapse and interest assumptions, and best estimate morbidity and mortality assumptions, the anticipated future loss ratio and the lifetime anticipated loss ratio are in compliance with the minimum loss ratio requirements after implementation of the 25% rate increase. This is in compliance with Bulletin 03-PPI-005-11/24.

Page 2 of Exhibit D displays a lifetime loss ratio projection using best estimate assumptions as described in Section 10 of this memorandum. Nationwide results with the requested rate increase are summarized below:

## American General Life Insurance Company

### Actuarial Justification of Premium Rate Increase For Individual Long Term Care Policy Form Series 64028

<b>Anticipated Lifetime Loss Ratio Rate Increase = 25%</b>			
<b>Time Period</b>	<b>Earned Premium At Historical/Projected D.C. Rate Levels</b>	<b>Incurred Claims</b>	<b>Loss Ratio</b>
Future	\$106,900,224	\$337,170,279	315.4%
Lifetime	\$523,719,276	\$611,009,849	116.7%

Using best estimate assumptions for future experience, both the anticipated future loss ratio and the lifetime anticipated loss ratio are in compliance with the minimum loss ratio requirements after implementation of the 25% rate increase. In addition, the projected lifetime loss ratio is significantly higher than that assumed in the original pricing.

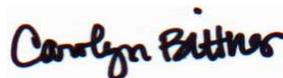
#### 15. PROPOSED PREMIUM RATES

The exact current and proposed rates for the four inforce policies are displayed in an attached exhibit. Exact rates for inforce policies cannot be derived from rate sheets. Upon rate increase implementation, the policyholder's current annualized premium is increased by the approved rate increase percentage. This does not tie back to original rate tables due to rounding that takes effect at various points during the rate increase calculation. Should the policyholder choose to decrease benefits, their new premium would be derived from the rate tables previously provided. Should the policyholder have chosen to increase benefits, then the new premium would have been derived by premium blending rules with the subsequent rate increases applied there in.

#### 16. ACTUARIAL CERTIFICATION

I hereby certify to the best of my knowledge and judgment, the entire rate filing submitted herein is in compliance with all applicable laws of this state, the rules of the Department of Insurance, and Actuarial Standard of Practice Number 8 as adopted by the Actuarial Standards Board. In my opinion, the rates are not excessive or unfairly discriminatory. This filing will enhance premium adequacy, but it is likely that future rate action will be necessary. Therefore, benefits cannot be certified reasonable in relation to premium.

Respectfully submitted,



---

Carolyn Bittner, FSA, MAAA  
Univita Health, Inc.  
Acting as a consultant to  
American General Life Insurance Company

March 26, 2013

**American General Life Insurance Company**

**Actuarial Justification of Premium Rate Increase  
For Individual Long Term Care Policy Form Series 64028**

Attachments:

Exhibit A – Nationwide Average Annualized Premiums

Exhibit B – Originally Filed Loss Ratios

Exhibit C – Rate Increase History

Exhibit D – Lifetime Experience Without and With Rate Increase

Current and Proposed Rates

**American General Life Insurance Company**

**Actuarial Justification for Premium Rate Increase**

**Policies Inforce as of 12/31/2012**

	Lives Inforce	Average Annualized Premiums <sup>1</sup>	
		Annualized Premium Per Inforce	With a 25% Rate Increase
<b>Nationwide</b>	7,964	\$3,124	\$3,904
<b>District of Columbia</b>	4	\$2,030	\$2,538

<sup>1</sup> Based on premium paying policyholders

Exhibit B

American General Life Insurance Company  
 Policy Form Series 64028  
 Long Term Care Plan - 30 Year Projection  
 Original Filed Loss Ratios By Duration

Policy Year	Present Values @ 5%					
	Premiums	Claims	Loss Ratio	Premiums	Claims	Loss Ratio
1	1,646.00	357.87	21.7%	1,646.00	349.25	21.2%
2	1,174.80	352.43	30.0%	1,118.86	327.56	29.3%
3	881.09	348.16	39.5%	799.17	308.18	38.6%
4	710.18	337.80	47.6%	613.48	284.77	46.4%
5	597.83	325.02	54.4%	491.84	260.95	53.1%
6	512.55	315.77	61.6%	401.60	241.45	60.1%
7	442.14	319.93	72.4%	329.93	232.98	70.6%
8	383.65	323.33	84.3%	272.65	224.25	82.2%
9	334.78	326.36	97.5%	226.59	215.57	95.1%
10	290.39	316.20	108.9%	187.19	198.91	106.3%
11	250.59	302.63	120.8%	153.84	181.31	117.9%
12	217.55	296.93	136.5%	127.20	169.42	133.2%
13	187.75	287.79	153.3%	104.55	156.39	149.6%
14	161.02	275.73	171.2%	85.39	142.70	167.1%
15	137.20	261.28	190.4%	69.30	128.78	185.8%
16	116.34	245.33	210.9%	55.96	115.16	205.8%
17	98.10	232.24	236.7%	44.94	103.83	231.0%
18	82.21	217.65	264.7%	35.87	92.67	258.4%
19	68.41	201.91	295.1%	28.43	81.88	288.0%
20	56.50	185.40	328.1%	22.36	71.60	320.2%
21	46.38	168.79	363.9%	17.48	62.08	355.2%
22	37.81	151.94	401.9%	13.57	53.22	392.2%
23	30.57	135.31	442.6%	10.45	45.14	432.0%
24	24.48	119.13	486.6%	7.97	37.85	474.9%
25	19.40	103.60	534.0%	6.02	31.35	521.2%
26	15.25	89.21	585.0%	4.50	25.71	570.9%
27	11.87	75.26	634.0%	3.34	20.66	618.8%
28	9.15	62.71	685.4%	2.45	16.39	668.8%
29	6.99	51.56	737.6%	1.78	12.84	719.8%
30	5.27	41.79	793.0%	1.28	9.91	773.9%
Total	8,556.25	6,829.06	79.81%	6,883.98	4,202.77	61.05%



**American General Life Insurance Company**  
**Policy Form 64028**  
**Projected Lifetime Experience With and Without Rate Increase**

Discounted / Accumulated @ 5.0%						
	Actual - without rate increase			Actual - with rate increase		
	Earned Prem at Historical DC Rate Levels	Incurred Claims	Loss Ratio	Earned Prem at Historical DC Rate Levels	Incurred Claims	Loss Ratio
Past	401,177,923	266,264,086	66.4%	401,177,923	266,264,086	66.4%
Projected	84,808,945	312,124,215	368.0%	102,126,620	312,179,819	305.7%
Lifetime	485,986,867	578,388,301	119.0%	503,304,543	578,443,905	114.9%

Detail by Calendar Year						
Cal Year	Actual - without rate increase			Actual - with rate increase		
	Earned Prem at Historical DC Rate Levels	Incd Claims	Loss Ratio	Earned Prem at Historical DC Rate Levels	Incd Claims	Loss Ratio
1997	114,262	0	0.0%	114,262	0	0.0%
1998	2,741,075	255,905	9.3%	2,741,075	255,905	9.3%
1999	8,897,299	1,567,138	17.6%	8,897,299	1,567,138	17.6%
2000	16,769,737	3,708,416	22.1%	16,769,737	3,708,416	22.1%
2001	25,249,863	8,294,491	32.8%	25,249,863	8,294,491	32.8%
2002	27,255,517	12,221,446	44.8%	27,255,517	12,221,446	44.8%
2003	25,899,360	11,711,813	45.2%	25,899,360	11,711,813	45.2%
2004	24,383,594	10,661,320	43.7%	24,383,594	10,661,320	43.7%
2005	23,140,108	15,611,586	67.5%	23,140,108	15,611,586	67.5%
2006	20,854,919	18,826,127	90.3%	20,854,919	18,826,127	90.3%
2007	19,411,004	16,815,477	86.6%	19,411,004	16,815,477	86.6%
2008	16,855,973	13,730,319	81.5%	16,855,973	13,730,319	81.5%
2009	17,853,800	20,312,138	113.8%	17,853,800	20,312,138	113.8%
2010	16,492,009	24,522,821	148.7%	16,492,009	24,522,821	148.7%
2011	15,532,344	21,559,856	138.8%	15,532,344	21,559,856	138.8%
2012	14,235,482	23,176,728	162.8%	14,235,482	23,176,728	162.8%
2013	14,438,518	23,030,938	159.5%	14,644,217	23,020,612	157.2%
2014	13,225,170	23,830,939	180.2%	15,909,186	23,825,391	149.8%
2015	11,762,470	24,437,214	207.8%	14,707,698	24,447,413	166.2%
2016	10,408,235	24,933,357	239.6%	13,014,018	24,943,019	191.7%
2017	9,161,710	25,363,887	276.8%	11,455,047	25,372,995	221.5%
2018	8,023,358	25,656,861	319.8%	10,031,427	25,665,458	255.9%
2019	6,987,826	25,771,806	368.8%	8,736,505	25,779,911	295.1%
2020	6,048,224	25,664,630	424.3%	7,561,613	25,672,215	339.5%
2021	5,199,509	25,367,523	487.9%	6,500,399	25,374,554	390.4%
2022	4,436,982	24,983,756	563.1%	5,547,001	24,990,270	450.5%
2023	3,759,371	24,473,038	651.0%	4,699,802	24,479,143	520.9%
2024	3,163,557	23,772,582	751.5%	3,954,898	23,778,230	601.2%
2025	2,641,809	22,811,456	863.5%	3,302,607	22,816,654	690.9%
2026	2,187,585	21,592,416	987.0%	2,734,745	21,597,054	789.7%
2027	1,794,973	20,203,053	1125.5%	2,243,911	20,207,111	900.5%
2028	1,459,606	18,708,434	1281.7%	1,824,643	18,711,935	1025.5%
2029	1,176,967	17,169,145	1458.8%	1,471,296	17,172,092	1167.1%
2030	941,102	15,584,929	1656.0%	1,176,430	15,587,374	1325.0%
2031	745,755	14,004,068	1877.8%	932,219	14,006,007	1502.4%
2032	584,727	12,449,629	2129.1%	730,911	12,451,094	1703.5%
2033	453,596	10,945,184	2413.0%	566,982	10,946,233	1930.6%
2034	348,313	9,532,415	2736.7%	435,368	9,533,089	2189.7%
2035	265,164	8,224,538	3101.7%	331,428	8,224,907	2481.7%
2036	200,442	7,032,890	3508.7%	250,525	7,033,060	2807.3%
2037	150,387	5,962,987	3965.1%	187,958	5,962,980	3172.5%
2038	111,978	5,017,426	4480.7%	139,949	5,017,301	3585.1%
2039	82,742	4,187,359	5060.7%	103,409	4,187,177	4049.1%
2040	60,620	3,465,892	5717.4%	75,760	3,465,689	4574.6%
2041	44,009	2,846,883	6468.9%	54,999	2,846,687	5175.9%
2042	31,648	2,316,269	7318.9%	39,551	2,316,087	5856.0%
2043	22,489	1,866,995	8301.9%	28,104	1,866,836	6642.5%
2044	15,764	1,490,886	9457.3%	19,701	1,490,745	7566.9%
2045	10,928	1,180,331	10800.5%	13,657	1,180,211	8641.6%
2046	7,483	926,353	12380.1%	9,351	926,255	9905.8%
2047	5,086	720,693	14169.1%	6,356	720,615	11337.5%
2048	3,436	556,480	16197.8%	4,293	556,420	12960.7%
2049	2,281	425,564	18654.9%	2,851	425,520	14927.0%
2050	1,486	322,117	21670.7%	1,857	322,086	17340.4%
2051	962	241,318	25082.3%	1,202	241,295	20070.4%
2052	616	179,066	29079.6%	769	179,049	23269.4%
Total Past	275,686,346	202,975,582	73.6%	275,686,346	202,975,582	73.6%
Total Proj	109,966,886	507,251,305	461.3%	133,452,644	507,340,775	380.2%
Total Lifetime	385,653,231	710,226,886	184.2%	409,138,989	710,316,356	173.6%

*Projected actual earned premiums and incurred claims are based on original pricing lapse and interest assumptions and best estimate morbidity and mortality assumptions as shown in section 10 of the actuarial memorandum.*

**American General Life Insurance Company**  
**Policy Form 64028**  
**Projected Lifetime Experience With and Without Rate Increase**

Discounted / Accumulated @ 5.5%						
	Actual - without rate increase			Actual - with rate increase		
	Earned Prem at Historical DC Rate Levels	Incurred Claims	Loss Ratio	Earned Prem at Historical DC Rate Levels	Incurred Claims	Loss Ratio
Past	416,819,052	273,839,570	65.7%	416,819,052	273,839,570	65.7%
Projected	89,763,446	342,103,602	381.1%	106,900,224	337,170,279	315.4%
Lifetime	506,582,497	615,943,172	121.6%	523,719,276	611,009,849	116.7%

Detail by Calendar Year						
Cal Year	Actual - without rate increase			Actual - with rate increase		
	Earned Prem at Historical DC Rate Levels	Incd Claims	Loss Ratio	Earned Prem at Historical DC Rate Levels	Incd Claims	Loss Ratio
1997	114,262	0	0.0%	114,262	0	0.0%
1998	2,741,075	255,905	9.3%	2,741,075	255,905	9.3%
1999	8,897,299	1,567,138	17.6%	8,897,299	1,567,138	17.6%
2000	16,769,737	3,708,416	22.1%	16,769,737	3,708,416	22.1%
2001	25,249,863	8,294,491	32.8%	25,249,863	8,294,491	32.8%
2002	27,255,517	12,221,446	44.8%	27,255,517	12,221,446	44.8%
2003	25,899,360	11,711,813	45.2%	25,899,360	11,711,813	45.2%
2004	24,383,594	10,661,320	43.7%	24,383,594	10,661,320	43.7%
2005	23,140,108	15,611,586	67.5%	23,140,108	15,611,586	67.5%
2006	20,854,919	18,826,127	90.3%	20,854,919	18,826,127	90.3%
2007	19,411,004	16,815,477	86.6%	19,411,004	16,815,477	86.6%
2008	16,855,973	13,730,319	81.5%	16,855,973	13,730,319	81.5%
2009	17,853,800	20,312,138	113.8%	17,853,800	20,312,138	113.8%
2010	16,492,009	24,522,821	148.7%	16,492,009	24,522,821	148.7%
2011	15,532,344	21,559,856	138.8%	15,532,344	21,559,856	138.8%
2012	14,235,482	23,176,728	162.8%	14,235,482	23,176,728	162.8%
2013	14,486,186	22,762,324	157.1%	14,687,357	22,728,086	154.7%
2014	13,438,053	23,830,175	177.3%	16,006,042	23,612,058	147.5%
2015	12,157,632	24,816,954	204.1%	14,982,660	24,514,453	163.6%
2016	10,949,865	25,742,311	235.1%	13,483,639	25,401,296	188.4%
2017	9,814,540	26,645,255	271.5%	12,078,790	26,269,429	217.5%
2018	8,755,066	27,441,061	313.4%	10,770,855	27,035,282	251.0%
2019	7,770,779	28,074,428	361.3%	9,557,324	27,644,103	289.2%
2020	6,856,105	28,479,027	415.4%	8,430,294	28,030,412	332.5%
2021	6,008,695	28,675,393	477.2%	7,386,817	28,214,028	382.0%
2022	5,228,298	28,771,884	550.3%	6,426,370	28,301,101	440.4%
2023	4,516,333	28,714,312	635.8%	5,550,508	28,237,958	508.7%
2024	3,875,341	28,423,559	733.4%	4,762,238	27,946,899	586.8%
2025	3,300,444	27,792,157	842.1%	4,055,407	27,322,068	673.7%
2026	2,787,265	26,799,945	961.5%	3,424,587	26,343,708	769.3%
2027	2,332,059	25,536,431	1095.0%	2,865,118	25,099,533	876.0%
2028	1,933,813	24,076,968	1245.1%	2,375,726	23,663,410	996.0%
2029	1,590,469	22,498,817	1414.6%	1,953,848	22,111,201	1131.7%
2030	1,296,814	20,793,971	1603.5%	1,593,056	20,434,880	1282.7%
2031	1,047,761	19,022,488	1815.5%	1,287,088	18,693,486	1452.4%
2032	837,314	17,211,805	2055.6%	1,028,565	16,913,867	1644.4%
2033	661,691	15,396,431	2326.8%	812,832	15,129,821	1861.4%
2034	517,345	13,642,079	2636.9%	635,523	13,405,897	2109.4%
2035	400,929	11,975,376	2986.9%	492,522	11,768,156	2389.4%
2036	308,240	10,419,118	3380.2%	378,665	10,238,877	2703.9%
2037	234,867	8,987,996	3826.8%	288,533	8,832,627	3061.2%
2038	177,422	7,694,976	4337.1%	217,966	7,562,050	3469.4%
2039	132,731	6,533,556	4922.4%	163,063	6,420,730	3937.6%
2040	98,509	5,501,821	5585.1%	121,020	5,406,817	4467.7%
2041	72,320	4,597,536	6357.2%	88,846	4,518,122	5085.3%
2042	52,488	3,804,424	7248.2%	64,482	3,738,689	5798.1%
2043	37,602	3,117,585	8290.9%	46,194	3,063,686	6632.2%
2044	26,497	2,529,942	9548.2%	32,550	2,486,189	7638.0%
2045	18,371	2,034,562	11074.7%	22,568	1,999,359	8859.3%
2046	12,509	1,621,181	12960.3%	15,366	1,593,108	10368.0%
2047	8,409	1,279,657	15217.0%	10,330	1,257,477	12173.2%
2048	5,591	1,002,295	17927.8%	6,868	984,899	14341.4%
2049	3,641	777,050	21341.9%	4,472	763,542	17073.1%
2050	2,282	595,951	26109.9%	2,803	585,575	20888.0%
2051	1,391	452,087	32495.7%	1,709	444,204	25997.2%
2052	840	339,514	40416.0%	1,032	333,588	32334.3%
Total Past	275,686,346	202,975,582	73.6%	275,686,346	202,975,582	73.6%
Total Proj	121,756,509	608,412,401	499.7%	146,113,633	599,050,674	410.0%
Total Lifetime	397,442,855	811,387,983	204.2%	421,799,979	802,026,255	190.1%

*Projected actual earned premiums and incurred claims are based on best estimate lapse and interest assumptions and best estimate morbidity and mortality assumptions as shown in section 10 of the actuarial memorandum.*

**American General**  
Life Companies

---

January 10, 2013

Dear Insurance Commissioner:

This letter authorizes Univita to make various policy form filings, including premium rate filings on behalf of American General Life Insurance Company.

This authorization will remain in full force and effect until the earlier of (a) your receipt of a written notification from American General Life Insurance Company expressly terminating this authorization; or (b) 31<sup>st</sup> of December 2013.

Please feel free to contact me directly should you have any questions concerning this authorization, c/o American General Life Companies, 2929 Allen Parkway, Mail Stop A9-90, Houston, TX, 77019. My e-mail address, telephone and fax numbers are below.

Sincerely,



Leo W. Grace  
Vice President  
Product Compliance  
Phone: (800) 247-8837, ext 3508  
Fax: 713-342-7550  
e-mail: leo.grace@aglife.com

**American General Life Insurance Company**  
*Member of American International Group, Inc.*  
2727-A Allen Parkway • Houston, TX 77019-2155  
P.O. Box 1931 • Houston, TX 77251-1931



Timothy P. Cassidy  
Director, Compliance Services  
Univita Health, Inc.  
5 Commonwealth Rd  
Suite 2B  
Natick MA 01760

Tel: 952.516.6195  
Fax: 952.983.5128

[www.univitahealth.com](http://www.univitahealth.com)

March 27, 2013

District of Columbia Insurance Department  
Attn: Life and Health Rate Review Section

**Re: AMERICAN GENERAL LIFE INSURANCE COMPANY**  
**FEIN # 25-0598210                      NAIC # 60488**

**INDIVIDUAL ACCIDENT AND HEALTH INSURANCE**

**Rate Increase for:**

**Non-Tax Qualified Long Term Care Policy 64028**

**Tax Qualified Long Term Care Policy Rider C12271**

**Inflation Benefit Rider 64031**

**Nonforfeiture Benefit Rider 64032**

Dear Sir or Madam:

On behalf of American General Life Insurance Company (AGL), we at Univita are submitting the enclosed actuarial memorandum for your review and approval. A letter from AGL authorizing Univita to make this rate filing on behalf of AGL is included. Please note that previous rate increase filings for this policy form series were made on behalf of American General Life Insurance Company of Delaware, which was merged into AGL effective December 31, 2012.

The enclosed actuarial memorandum details the request for a 25% increase in the rates for AGL's long term care insurance policy forms and associated riders noted above. We are requesting this rate increase because persistency and claim experience are expected to produce lifetime loss ratios that exceed the minimum required loss ratio. Your department approved the previous rate increases on the following dates: the first rate increase on October 8, 2008, the second rate increase on March 3, 2011, and the third rate increase on May 30, 2012. At this time this additional rate increase of 25% is justifiable to bring lifetime loss ratios closer to an acceptable level.

The company will offer insureds the option to reduce their daily benefit amount. This option will allow insureds the flexibility to maintain their current premium level, if desired.

The rates will be effective upon approval but no earlier than November 1, 2013, which is one year from the effective date of the previous rate increase, and will apply to all existing policyholders. The company discontinued sales of its long term care insurance product in 2001.

We trust that you will find our filing to be in order and hope that you will grant your Department's approval to this submission. If you have any questions or would like to discuss any of the materials included in this submission, please feel free to call me directly at (952) 516-6195 or toll free at 1-888-312-5824. You may also send an email to [tcassidy@univitahealth.com](mailto:tcassidy@univitahealth.com).

We look forward to hearing from you.

Sincerely,

A handwritten signature in black ink, appearing to read "Timothy P. Cassidy". The signature is written in a cursive style with a large, stylized initial "T".

Timothy P. Cassidy