

State: District of Columbia **Filing Company:** John Hancock Life Insurance Company (USA)
TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified
Product Name: Long-Term Care Insurance
Project Name/Number: CCIII w/BB Reprice - 2013 Gender Distinct/CCIII w/BB Reprice - 2013 Gender Distinct

Filing at a Glance

Company: John Hancock Life Insurance Company (USA)
Product Name: Long-Term Care Insurance
State: District of Columbia
TOI: LTC03I Individual Long Term Care
Sub-TOI: LTC03I.001 Qualified
Filing Type: Rate
Date Submitted: 01/14/2014
SERFF Tr Num: MULF-129370605
SERFF Status: Pending Industry Response
State Tr Num:
State Status:
Co Tr Num: CCIII W/BB REPRICE - 2013 GENDER DISTINCT
Implementation: On Approval
Date Requested:
Author(s): Michelle Fluet, Carol Folsom, Pat Hamlett, Joanne Witham
Reviewer(s): Donghan Xu (primary), Alula Selassie
Disposition Date:
Disposition Status:
Implementation Date:
State Filing Description:

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General Information

Project Name: CCIII w/BB Reprice - 2013 Gender Distinct	Status of Filing in Domicile: Pending
Project Number: CCIII w/BB Reprice - 2013 Gender Distinct	Date Approved in Domicile:
Requested Filing Mode: Review & Approval	Domicile Status Comments: Our domicile state of Michigan is a member of the IIPRC. This filing has been submitted and remains pending with the IIPRC.
Explanation for Combination/Other:	Market Type: Individual
Submission Type: New Submission	Individual Market Type:
Overall Rate Impact:	Filing Status Changed: 01/29/2014
Deemer Date:	State Status Changed:
Submitted By: Pat Hamlett	Created By: Pat Hamlett
	Corresponding Filing Tracking Number:

Filing Description:
 Re:John Hancock Life Insurance Company (U.S.A.)
 Company NAIC # 65838, FEIN # 01-0233346
 Individual Long-Term Care Insurance Submission

Revised Actuarial Memo for Policy Form LTC-12 DC
 (Related Form SERFF Filing # 129370605 – Submitted on 1/14/2014)

Dear Commissioner,

We enclose the above referenced actuarial memo for your review and approval. This memo and new rate schedules will replace any previously approved by your department. These updates are associated with our Custom Care III featuring Benefit Builder policy form LTC-12 DC approved by your department on 8/9/2013, SERFF File # MULF-128871366.

Rates
 We completed a comprehensive experience study this year and are reflecting new assumptions. We also found that experience on older products is deteriorating. This has led us to increase our margins and therefore rates. The submitted rates are on average approximately 15% higher than current rates for this policy series.

Subject to your approval, the new premium rates will be applied on a prospective basis upon an implementation date to be determined based on administrative readiness. It is important to note that no rate change will be imposed on existing policyholders.

- The following items are included in this submission:
- * the submission letter.
 - * all actuarial material.
 - * all required certifications.

Company and Contact

Filing Contact Information
 Pat Hamlett, Contract Consultant phamlett@jhancock.com

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200 Berkeley Street 617-572-0114 [Phone]
Boston, MA 02117

Filing Company Information

John Hancock Life Insurance CoCode: 65838 State of Domicile: Michigan
Company (USA) Group Code: 904 Company Type:
200 Berkeley Street Group Name: State ID Number:
Boston, MA 02176 FEIN Number: 01-0233346
(617) 572-6000 ext. [Phone]

Filing Fees

Fee Required? No
Retaliatory? No
Fee Explanation:

SERFF Tracking #:

MULF-129370605

State Tracking #:**Company Tracking #:**CCIII W/BB REPRICE - 2013 GENDER
DISTINC...**State:** District of Columbia**Filing Company:**

John Hancock Life Insurance Company (USA)

TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified**Product Name:** Long-Term Care Insurance**Project Name/Number:** CCIII w/BB Reprice - 2013 Gender Distinct/CCIII w/BB Reprice - 2013 Gender Distinct

Rate/Rule Schedule

Item No.	Schedule Item Status	Document Name	Affected Form Numbers (Separated with commas)	Rate Action	Rate Action Information	Attachments
1		Actuarial Memorandum	LTC-12 DC	New		DC LTC-12 Actuarial Memorandum 1.13.2014.pdf,
2		Net Single Premiums	LTC-12 DC	New		LTC-12 DC BB Net Single Premiums .xls,

SERFF Tracking #:	MULF-129370605	State Tracking #:		Company Tracking #:	CCIII W/BB REPRICE - 2013 GENDER DISTINC...
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Attachment LTC-12 DC BB Net Single Premiums .xls is not a PDF document and cannot be reproduced here.

**John Hancock Life Insurance Company (U.S.A.)
Individual Long-Term Care Policy Series LTC-12 DC
Actuarial Memorandum and Initial Rate Filing Certification**

District of Columbia

Scope & Purpose

This memorandum consists of materials which support the development of premium rates for new business under the Long-Term Care Policy Series LTC-12 DC and all associated riders. The purpose of this memorandum is to allow the rate filing to be reviewed by regulatory authorities to determine that benefits are reasonable in relation to the premiums charged.

Attached are the premium rate schedules to be used for new sales of the policy forms as specified therein.

Actuarial Certification

I, Alex Silva, am an Actuary of John Hancock and a member of the American Academy of Actuaries. I meet the Academy's qualification standards for rendering this opinion and am familiar with the requirements for filing long-term care insurance premiums.

I hereby certify that to the best of my knowledge and judgment:

- (a) The initial premium rate schedule is sufficient to cover anticipated costs under moderately adverse experience and the premium rate schedules are reasonably expected to be sustainable over the life of the forms with no future premium increases anticipated.
- (b) Policy design and coverage provided have been reviewed and taken into consideration.
- (c) Underwriting and claims adjudication processes have been reviewed and taken into consideration.
- (d) With respect to contract reserves and their relation to gross premiums:
 - (i) The assumptions used for reserves contain reasonable margins for adverse experience.
 - (ii) The net valuation premium for renewal years does not increase.
 - (iii) The difference between gross premium and the net valuation premium for renewal years is sufficient to cover expected renewal expenses.
 - (iv) The reserve morbidity assumptions used do not include any provision for morbidity improvement.
- (e) The premium rate schedule is not less than the premium rate schedule for existing similar policy forms with issue age rate schedules and comparable premium-paying periods also available except for reasonable differences attributable to benefits, with the following exception. There are situations where the premium rates are less than those for existing products due to distinguishing claim costs by gender and marital status.
- (f) This entire rate filing is in compliance with the applicable laws and regulations of the IIPRC.
- (g) The rates are reasonable in relation to the benefits provided and are not excessive, inadequate, nor unfairly discriminatory.
- (h) I have provided a complete description of the basis for contract reserves anticipated to be held under the filed policy form.

In forming my opinion, I have used actuarial assumptions and actuarial methods and such tests of actuarial calculations as I considered necessary.



A. Alex Silva, FSA, MAAA
Actuary

January 8, 2014

Date

**John Hancock Life Insurance Company
Individual Long-Term Care Policy Series LTC-12 DC**

Description of Benefits

Policy Series LTC-12 DC

This is an individual Long-Term care policy that pays benefits on a monthly or daily basis depending on the insured's selection. The following covered care or services are provided to the insured:

- Confinement in a Nursing Home or Assisted Living Facility for room, board and care services
- Home Health Care; Hospice Care*; or
- Attendance at an Adult Day Care Center providing Adult Day Care

It is intended to be a Qualified Long-Term Care Insurance contract under the Federal Internal Revenue Code.

* Hospice Care benefits that are not reimbursable under Medicare can be paid before the satisfaction of the Elimination Period.

Benefit eligibility is determined based on the insured's cognitive impairment or their requiring substantial assistance to perform two out of six activities of daily living (ADLs) of bathing, dressing, eating, toileting, transferring and maintaining continence. The insured must be certified to be chronically ill by a licensed health care practitioner.

Long-Term Care Benefits are paid at 100% of the actual charges up to the Long-Term Care benefit amount for Nursing Home, Assisted Living Facility or home health care benefits after the elimination period. Benefits are payable until the policy limit is reached. Benefits are coordinated with Medicare. In the event a home health agency is not available within a 40-mile radius of the insured's home, we will pay actual charges incurred for an independent home care provider up to 75% of the Long-Term Care benefit amount.

In addition, if a stay in a Nursing Home or Assisted Living Facility is interrupted for any reason a bedhold benefit is payable under this Policy. These bed hold days will be counted as part of the Long-Term Care Benefit amount, but are limited to 60 days per calendar year.

Any unused portion of the Long -Term Care Benefit will remain in the Policy Limit. Any benefit paid under this provision will reduce the Policy Limit.

Benefits will be reduced by any payments made under another John Hancock individual long term care insurance policy for the same eligible expenses. The reduction will be made only when the total benefits payable among all John Hancock individual policies would result in a payment that exceeds the eligible expenses. If multiple policies are owned, the one with the earlier effective date will pay first.

John Hancock Life Insurance Company
Individual Long-Term Care Policy Series LTC-12 DC

Benefit features included in the policy are as follows:

Additional Accident Benefit (form LTC-DAB 11/13) If the insured is approved for this benefit it will automatically be included in the policy at no additional cost. This benefit provides that if Long-Term Care services are required due to an accidental injury prior to the insured's 65th birthday, we will reimburse eligible expenses up to two times the monthly or daily benefit (but no greater than \$500/day or \$15,000/month at issue, growing with the chosen inflation option) for the duration of the claim. Any reimbursements made in excess of the monthly or daily benefit will not be deducted from the policy limit.

Return of Premium Upon Death Benefit Upon the insured's death prior to their 65th birthday, we will refund to their beneficiary an amount equal to the sum of premiums paid under the policy less any benefits paid under the policy.

Care Advisory Services Benefit Care Advisory Services provides for an assessment, at the option of the insured, of the need for health care and related services, the development of recommendations that are consistent with that assessment, the coordination of the delivery of such care and services, and the monitoring of the delivery of such care and services. If the policy provides Monthly Benefits this benefit is limited to 1/3 of the Long-Term Care Monthly Benefit per calendar year. If the policy provides Daily Benefits this benefit is limited to 10 times the Long-Term Care Daily Benefit per calendar year. The insured must be benefit eligible but does not have to satisfy the elimination period in order to receive this benefit. Benefits paid are not counted towards the Policy Limit.

Additional Stay at Home Benefit can be used to pay for a variety of long-term care expenses for an insured who is living in their home. This benefit is not subject to the elimination period. These services include: home modifications; emergency medical response systems; durable medical equipment; caregiver training; a home safety check; and a provider care check.

Eligibility for the benefit is met if the insured is a chronically ill individual and the benefits are provided pursuant to a plan of care approved by a Licensed Care Practitioner.

Any unused portion of this benefit amount may be used for future Additional Stay at Home Services. Benefits paid under the Additional Stay at Home Benefit will not reduce the Policy Limit. Benefits under the Long-Term Care Benefit and/or Care Advisory Services Benefit can still be received while receiving benefits under the Additional Stay at Home Benefit.

If the policy provides Monthly Benefits, the Stay at Home Benefit has a separate lifetime pool equal to 1 times the Long-Term Care Monthly Benefit. If the policy provides Daily Benefits, the separate lifetime pool will equal 30 times the Long-Term Care Daily Benefit.

Waiver of Premium allows premiums to be waived after the insured has met the elimination period and is receiving benefits and will continue to be waived until the insured stops receiving such benefits or the policy limit is reached. The premium will not be waived; however, if benefits are only being received under the Additional Stay at Home benefit or Care Advisory Services Benefit.

International Coverage Benefit we will pay actual charges incurred for covered Long-Term Care Services received outside of the United States for up to one year. No benefits are payable under the Additional Stay at Home Benefit, Care Advisory Services Benefit or for Independent Care Providers under the International Coverage Benefit.

**John Hancock Life Insurance Company
Individual Long-Term Care Policy Series LTC-12 DC**

Alternate Services Benefit provides coverage for alternate LTC services not currently covered in the policy so long as we agree that the services are necessary and they are a less costly alternative to care that is covered and would otherwise be received.

Contingent Nonforfeiture Benefit (Form LTC-CNF 11/13)

For Policies where the optional Nonforfeiture Benefit is not elected, the contingent nonforfeiture benefit is available as policy protection in the event a policy lapses due to a premium rate increase.

It is available for a period of 120 days after the insured is informed of a rate increase that exceeds a certain threshold. The threshold is as follows:

Issue Age	% Increase Over Initial Premium	Issue Age	% Increase Over Initial Premium	Issue Age	% Increase Over Initial Premium
29 and under	100%	66	48%	79	22%
30-34	100%	67	46%	80	20%
35-39	100%	68	44%	81	19%
40-44	100%	69	42%	82	18%
45-49	100%	70	40%	83	17%
50-54	100%	71	38%	84	16%
55-59	90%	72	36%	85	15%
60	70%	73	34%	86	14%
61	66%	74	32%	87	13%
62	62%	75	30%	88	12%
63	58%	76	28%	89	11%
64	54%	77	26%	90 and over	10%
65	50%	78	24%		

After the policy has been in effect for twenty (20) years, the policyholder does not need to meet the Issue Age or percentage thresholds shown in the table above in order to be eligible to convert the coverage to the contingent nonforfeiture benefit.

If the insured elects contingent nonforfeiture and the policy provides Monthly Benefits, the policy becomes paid-up with the new policy limit equal to the total premiums paid. In no event, however, will the new policy limit be less than the Long-Term Care Monthly Benefit at the time of lapse.

If the insured elects contingent nonforfeiture and the policy provides Daily Benefits, the policy becomes paid-up with the new policy limit equal to the total premiums paid. In no event, however, will the new policy limit be less than thirty (30) times the Long-Term Care Daily Benefit at the time of lapse.

If the insured does not elect contingent nonforfeiture, they may elect instead to reduce their benefits. If they elect to decrease their current Policy benefits, they may:

- eliminate any optional riders for which a premium is charged; or
- reduce the Long-Term Care Monthly Benefit in \$100 increments, if the policy provides Monthly Benefits
- reduce the Long-Term Care Daily Benefit in \$10 increments, if the policy provides Daily Benefits

**John Hancock Life Insurance Company
Individual Long-Term Care Policy Series LTC-12 DC**

Optional Benefits:

Nonforfeiture Benefit Rider (Form LTC-NONF 7/12)

A nonforfeiture benefit is available to each applicant as a policy option. The benefit provides a means whereby the insured could stop paying premium and still keep coverage.

If an insured stops paying premium on a policy with this benefit after it has been in force for three full years, a revised policy limit will be maintained on the policy thereafter and no further premium will be due.

The new policy limit equals the sum of all premiums paid on the policy prior to lapse.

If greater, the new policy limit will equal one times the Long-Term Care Monthly Benefit for policies providing Monthly Benefits or 30 times the Long-Term Care Daily Benefit for policies providing Daily Benefits. The benefit in effect on the date of lapse will remain the benefit for the policy. No additional inflation increases will be applied to either the benefit or the new policy limit once the insured lapses the policy and assumes the nonforfeiture benefit.

The cost for this nonforfeiture benefit is 6% of the base plan rate.

Shared Care Benefit Rider (Form LTC-SHC DC 4/11)

The SharedCare Benefit rider allows partners to access the available benefits under each other's policies once one partner's policy limit has been exhausted. Both partners must add identical SharedCare Benefit Riders to their policy and have named each other as their partner in the application or enrollment form for this rider. Partners include policyholders who are married or have lived with a family member of the same generation or partner of the same or opposite sex for at least 3 years.

The policy limit of each policy is available to either or both partners until the total amount of the two limits is exhausted.

If one of the partners dies, the surviving partner will retain the combined policy limit in effect prior to the death, and the SharedCare rider premium ceases.

In the event that the one partner exhausts the other's policy benefits, the other partner may elect to purchase an additional 2 year benefit period without evidence of insurability within 60 days after exhausting benefits providing they have not been chronically ill in the prior 2 years and they are less than age 91.

With the nonforfeiture rider, the premiums paid count towards determination of the shortened benefit period, but the SharedCare rider terminates upon lapse.

Rates for the Shared Care Benefit are determined by multiplying the base rate for the plan by a factor that depends on the benefit period chosen.

**John Hancock Life Insurance Company
Individual Long-Term Care Policy Series LTC-12 DC**

Benefit Period	Shared Care Rate Factor
2 years:	26%
3 years:	16%
4 years:	11%
5 years:	10%
6 years:	8%

Waiver of Home Health Care Elimination Period Rider (Form LTC–WEP 11/13)

The Waiver of Home Health Care Elimination Period benefit waives the requirement to satisfy the Elimination Period if an insured is receiving Home Health Care or Adult Day Care. The Elimination Period must still be satisfied before benefits are payable under Long-Term Care Benefit for confinement in a Nursing Home or an Assisted Living Facility and to access the Additional Cash Benefit (if applicable). In addition, the elimination period must be satisfied before premiums are waived under the Waiver of Premium provision. However, days which the Home Health Care Elimination Period is waived will count toward meeting the facility Elimination Period.

This benefit does not apply to the International Coverage Benefit. This rider is not available with the 180 or 365 day Elimination Periods.

The cost of this rider is 17% of the base plan rate.

Additional Cash Benefit Rider (Form LTC–ACB 4/11)

The Additional Cash Benefit Rider provides a monthly cash indemnity benefit that is equal to 15% of the Monthly Long-Term Care Benefit or 4.5 times the Long-Term Care Daily Benefit. This indemnity benefit is in addition to the monthly or daily benefits already provided. In order to qualify for this benefit an insured must be chronically ill, have met the Elimination Period, have not been confined in a Nursing Home or Assisted Living Facility and have received Home Health Care at least one day during the calendar month. The rider ends on the date the Policy Limit has been exhausted.

The cost of this rider is 10% of the base plan rate.

Review of Policy Design, Coverage, Underwriting and Claims Adjudication

The actuary signing this memorandum was involved in the development of the policy design and coverage and has taken these benefits and their associated risks into account in the pricing of this product. The actuary has also signed off on the policy form associated with this filing. The underwriting and claims adjudication processes have been reviewed and taken into consideration.

Proposed Effective Date

These rates will be effective on the date they may be illustrated, issued and administered by us in the normal course of operations, but in no event earlier than the date of approval.

**John Hancock Life Insurance Company
Individual Long-Term Care Policy Series LTC-12 DC**

Renewability Clause

These forms are issued with a Guaranteed Renewable clause. The policy will be fully paid at attained age 95.

Applicability

These rates are for new issues of this policy form. This will be the only LTC product that we will be offering except for employer based business which will have unisex rates.

Marketing Method

This product is typically marketed through our traditional agency system and brokers involving a personal contact with each applicant. The market is quite varied, but would generally fall in the middle to upper-middle income bracket.

Underwriting

An application is filled out by each applicant. The company will obtain additional risk information through lab work, medical records, cognitive test, and face-to-face assessments in accordance to current underwriting guidelines.

Pricing Assumptions

Morbidity

The morbidity assumptions are derived from our own experience, following a comprehensive claim study completed at the end of 3rd quarter, 2013. The study has been peer reviewed both internally as well as by an Independent third party. No future morbidity improvements are assumed in the pricing. Please refer to the accompanying Excel spreadsheet for examples of our claim costs.

Mortality

Our mortality decrement is based on the unloaded 1994 Group Annuity Mortality Table, brought to 2013 using improvements from Scale AA, sex-distinct. No future mortality improvements are assumed in the pricing. The following selection factors by issue age risk class, gender, and marital are applied:

**John Hancock Life Insurance Company
Individual Long-Term Care Policy Series LTC-12 DC**

Policy Years	Risk Class			
	Preferred	Standard	Substd 1	Substd 2
1	67%	95%	134%	167%
2	67%	98%	139%	173%
3	67%	101%	144%	179%
4	67%	104%	148%	185%
5	67%	107%	153%	191%
6	67%	110%	158%	197%
7	67%	110%	163%	203%
8	67%	110%	167%	209%
9	67%	110%	172%	215%
10	67%	110%	177%	221%
11	67%	110%	182%	227%
12	67%	110%	187%	233%
13	67%	110%	187%	233%
14	67%	110%	187%	233%
15	67%	110%	187%	233%
16	69%	110%	187%	233%
17	71%	110%	187%	233%
18	73%	110%	187%	233%
19	75%	110%	187%	233%
20	77%	110%	187%	233%
21	79%	110%	187%	233%
22	81%	110%	187%	233%
23	83%	110%	187%	233%
24	85%	110%	187%	233%
25	87%	110%	187%	233%
26	87%	110%	187%	233%
27	87%	110%	187%	233%
28	87%	110%	187%	233%
29	87%	110%	187%	233%
30+	87%	110%	187%	233%

Policy Years	Issue Age		
	<=55	65	75
1	35%	20%	20%
2	38%	23%	27%
3	41%	26%	34%
4	43%	29%	41%
5	45%	33%	48%
6	47%	38%	55%
7	49%	44%	58%
8	51%	51%	61%
9	53%	58%	64%
10	54%	65%	67%
11	55%	68%	73%
12	56%	70%	79%
13	58%	71%	82%
14	59%	72%	85%
15	60%	73%	88%
16	62%	75%	90%
17	63%	76%	92%
18	65%	78%	93%
19	66%	79%	95%
20	67%	81%	97%
21	69%	83%	100%
22	71%	84%	100%
23	73%	86%	100%
24	76%	88%	100%
25	80%	90%	100%
26	84%	91%	100%
27	88%	93%	100%
28	92%	95%	100%
29	96%	97%	100%
30+	100%	100%	100%

Factors for ages between the ones listed above are interpolated.

Duration	Female Married	Male Married	Female Single	Male Single
1-15	95%	95%	110%	115%
16	96%	96%	108%	112%
17	97%	97%	106%	109%
18	98%	98%	104%	106%
19	99%	99%	102%	103%
20+	100%	100%	100%	100%

**John Hancock Life Insurance Company
Individual Long-Term Care Policy Series LTC-12 DC**

Persistency

The base lapse rates assumed are as follows:

Duration	Benefit Builder Option	Other Inflation Options
1	4.10%	3.70%
2	3.13%	2.95%
3	2.63%	2.50%
4	2.02%	1.85%
5	1.85%	1.75%
6	0.93%	0.90%
7	0.90%	0.85%
8	0.90%	0.85%
9	0.90%	0.85%
10	0.90%	0.85%
11+	0.88%	0.85%

Because the policy is fully paid at age 95, the following factors that vary by attained age are applied to the base lapse rate table above:

Attained Age	Lapse Factor
0-84	100%
85	90%
86	80%
87	70%
88	60%
89	50%
90	40%
91	30%
92	20%
93	10%
94+	0%

There are no lapses after the premium paying period.

Expenses

Compensation:*

Policy Year	Avg Commission
1	98.8%
2-4	14.9%
5	10.8%
6-10	9.6%
11+	3.9%

*Commissions are reduced on Sponsored Group, Family Discount, and Substandard policies.

Other Expenses:

- Acquisition (year 1): 100% of premium
- Maintenance (all years): \$75.45 per policy
- Premium Tax (all year): 2.0%

To realign the dollar amount of acquisition expenses among different gender and marital combinations, we adjusted acquisition expenses as below

- Acquisition Expense Adjustment Factors:

Marital	Male	Female
Single	98%	63%
Married	141%	90%

Claim Administration Expenses:

- 2.41% of incurred claims

John Hancock Life Insurance Company
Individual Long-Term Care Policy Series LTC-12 DC

Net Investment Rate

The average net investment rate used for invested assets is 5.5%.

In the cashflows projected, the benefit increases for the Benefit Builder inflation option reflect the 5.5% annual investment return. In the event that an inforce rate increase is needed in the future, the original pricing cash flows will be re-stated to take into account the actual benefit increases based on the actual portfolio credited rates. This will remove the investment portfolio performance piece from the rate increase equation.

In the cashflows projected, the benefit increases for CPI inflation options reflect a 3% annual increase in CPI Index rate. In the event that an inforce rate increase is needed in the future, the original pricing cash flows will be re-stated to take into account the actual benefit increases based on the actual CPI Index rate. This will remove differences in the CPI index piece from the rate increase equation.

Contingency & Risk Margins

Premiums are determined to meet required profitability measures, the main one being Return on Investment (ROI) which reflects reserve and capital requirements as well as expected claims, expenses and investment income.

In order to minimize the earnings volatility impact of investment returns for Benefit Builder option, the Single Premiums are determined based on the same assumptions as the base annual premiums (except the Single Premiums reflect only claim administration expenses), with the same adjustments that are applied when calculating reserves according to International Financial Reporting Standards. In addition, the Single Premiums assume a 3% investment return, as the additional benefits determined by these Single Premiums will increase the ARV and those increases will receive Excess Earnings Credits in the future.

**John Hancock Life Insurance Company
Individual Long-Term Care Policy Series LTC-12 DC**

Expected Distribution of Business

Inflation Option	Weight
Benefit Builder	50%
CPI	35%
CPI to 75	14%
5% Compound	1%
Total	100%

Benefit Period	Weight
2	6%
3	36%
4	20%
5	21%
6	17%
Total	100%

Gender	Weight
Female	48%
Male	52%
Total	100%

The following mix of business is assumed:

Issue Age	Weight	Preferred	Standard	Substd Class 1	Substd Class 2	Single	Married
40	7%	46%	50%	4%	0%	19%	81%
50	10%	53%	39%	6%	2%	16%	84%
55	20%	36%	52%	10%	2%	15%	85%
60	30%	31%	55%	10%	4%	19%	81%
65	21%	23%	61%	14%	2%	22%	78%
70	9%	17%	70%	12%	1%	28%	72%
75	3%	10%	64%	26%	0%	35%	65%
Total	100%	31%	55%	12%	2%	22%	78%

Average Issue Age

The expected average issue age is 59.

Sources and Levels of Pricing Margins

The moderately adverse experience considered when developing these premium rates includes claim costs 16% higher than expected or an equivalent adverse deviation for any and all of the combined assumptions: morbidity, mortality, lapse, and investment income. The resulting profitability under the adverse experience is acceptable to senior management and would not result in taking any rate increase action should such adverse experience materialize.

Premium Classes

Base Rates

The base policy form rates depend upon the following attributes:

- *Issue Age*

Ages 18 through 75 on an age last birthday basis.

- *Gender*

Rates vary between males and females.

- *Elimination Period*

30, 60, 90, 180, or 365 days of actual service for which John Hancock will not pay benefits (except for Care Advisory and Additional Stay at Home Benefit). The elimination period must be met only once during the lifetime of the policy. For purposes of Home Health Care only, a date of service will only count toward the elimination period if there are 2 or more hours of

John Hancock Life Insurance Company
Individual Long-Term Care Policy Series LTC-12 DC

covered care that is not primarily incidental homemaker services. Prior to satisfaction of the Elimination Period, 100% of Benefit Amount can be used only for Hospice Care Services that are not reimbursable under Medicare.

Rates for each elimination period option are determined by applying the corresponding factor from the table below to the respective 90 day elimination period tabular rate.

Elimination period	rate multiplier
30	1.2
60	1.1
180	0.9
365	0.72

- *Long-Term Care Benefit Amount*

For Monthly Benefits: \$1,500 to \$12,000 in \$100 increments

For Daily Benefits: \$50 to \$400 in \$10 increments

For policies with the Benefit Builder for inflation option, rates for monthly benefits are calculated by dividing the \$10 per day rate by 2.85 to get the \$100 per month rate.

For policies with the other Inflation options, rates for monthly benefits are calculated by dividing the \$10 per day rate by 2.91 to get the \$100 per month rate.

- *Benefit Period/Policy Limit*

The possible benefit periods are 2 years, 3 years, 4 years, 5 years, or 6 years.

- *Inflation Options*

The insured has the choice of four inflation options:

1. Benefit Builder Inflation Option (Endorsement LTC-BLD/GIO)

The Benefit Builder inflation option is a feature that grows benefits over time in two ways:

- **Automatic Increases:** Each policy anniversary, we will return to each policyholder the investment earnings (net of investment expenses) in excess of 3% from the general account portfolio that supports policies with the Benefit Builder or similar feature. These earnings will automatically be used to increase benefits and help offset the effect of inflation. Benefits will never decrease due to investment earnings below 3%, but there is a loss recouping mechanism described below for these scenarios.
- **Optional Increases:** Buy-up options of 10% of current benefits are offered to policyholders every 3 years (with restrictions defined below) which can also help offset the effect of inflation.

John Hancock Life Insurance Company
Individual Long-Term Care Policy Series LTC-12 DC

Automatic Increases

On each Policy Anniversary, we calculate an Excess Earnings Credit based upon the following formula.

Excess Earnings Credit = (Portfolio Rate of Return – 3%)*(Allocated Reserve Value) – Prior Losses

Where:

- *Portfolio* means the segment of our general account that contains the assets supporting policies with the Benefit Builder or similar feature.
- *Portfolio Rate of Return* means the net annual rate of return earned on the assets in the Portfolio (net of investment expenses). The calculation is described in the Portfolio Rate of Return Formula for the Benefit Builder Option section of this memo.
- *Allocated Reserve Value (ARV)* refers to the portion of assets attributed to the insured in the Portfolio. The initial Allocated Reserve Value for a policyholder will be based on pre-determined tables that vary by issue age, policy year, risk class, gender, marital status, benefit period and elimination period. The tables were developed for the Standard risk class, Unisex, Single marital status and 90 day elimination period. The tables for the other risk and marital classes and elimination periods are calculated by using the same premium rate factors that we use for those classifications. Gender distinct tables are calculated by applying an additional factor to the unisex tables. For Females the factor is 1.24, and for Males the factor is 0.78. The ARV is recalculated every policy year to reflect additions due to Automatic Increases from prior years and any Buy-ups purchased.
- *Prior Losses*: If the Portfolio Rate of Return in any year is below 3%, a loss will be calculated equal to: (Portfolio Rate of Return – 3%)*(Allocated Reserve Value). This loss will never decrease benefit levels, but in order to receive an earnings credit in the next year, the sum of prior losses must be overcome. For example, if there are two consecutive years with losses of \$500 and \$400, and then the third year produces a gain of \$1,000, the Excess Earnings Credits will be \$0, \$0, and \$100 (\$1,000 - \$500 - \$400) for those years, respectively.

If the Excess Earnings Credit is greater than zero, this amount is divided by a Single Premium to determine the amount of the increase to the benefit amount. The Single Premiums vary by issue age, policy duration, and gender, assuming a 3% investment return, and are guaranteed renewable. In the event of an inforce rate increase, the Single Premiums would change based on the same revised assumptions for the base policy. The Single Premiums were developed for the Standard risk class, Unisex, Single marital status and 90 day elimination period. The Single Premiums for the other risk and marital classes and elimination periods are calculated by using the same premium rate factors that we use for those classifications. Gender distinct tables are calculated by applying an additional factor to the unisex tables. For Females the factor is 1.24, and for Males the factor is 0.78. The Unisex Single Premiums are included in the excel spreadsheet attached to this filing.

Benefit Increase = (Excess Earnings Credit) / (Single Premium)

If the Excess Earnings Credit is less than or equal to zero, we will not reduce the benefit amount by such decrease as mentioned; however, we will offset any such decrease when calculating future Excess Earnings Credits with the loss recouping mechanism mentioned above.

John Hancock Life Insurance Company
Individual Long-Term Care Policy Series LTC-12 DC

Buy-up Options

- Every third policy anniversary through age 75, we will offer policyholders the option to increase their benefits without underwriting, by purchasing additional coverage equal to 10% of the benefit amount that was in effect immediately prior to the policy anniversary.
- Premium increases for the Buy-up Option are based on attained age rates in effect on the option date.
- The Options will cease and not be made available if the insured was chronically ill at any time during the two year period prior to the option date or if benefits have ever been paid under the policy.
- For issue ages below 65, the Options will cease if the insured has declined two previous options. For issue ages 65 and above, the Options will cease if the insured declines any option.

2. CPI Compound Inflation (Endorsement LTC-CPI/GIO 4/11)

The Long-Term Care Benefit and remaining Policy Limit will, on each policy anniversary, increase by the percentage change in the Consumer Price Index, Urban, All Items (CPI percentage). The CPI percentage will be measured over the 1 year period that ends three months prior to the month of the policy anniversary. If the CPI percentage is negative in a year, no reduction in current Long-Term Care benefit amounts or policy limits will occur, but it will offset future increases.

In addition, every 3 years an option to increase the Long-Term Care Benefit amount and remaining Policy Limit by a factor of 5% will be offered (this is referred to as the Guaranteed Increase Option). This increase will be in addition to the automatic CPI increases. The premium for any increase will be based on attained age. No additional underwriting will be required. The offer will not be available if the policyholder was chronically ill in the 2 years prior to the date of the offer, after the insured attains age 76 or if the policyholder has declined two previous options.

3. CPI Compound Inflation Through Age 75 (Endorsement LTC-CPI75GIO 4/11)

The Long-Term Care Benefit and remaining Policy Limit will, on each policy anniversary through age 75, increase by the percentage change in the Consumer Price Index, Urban, All Items (CPI percentage). This inflation option functions exactly like the "CPI Compound Inflation" option above with the exception that the automatic benefit increases end after age 75. The maximum issue age for this inflation option is age 70.

4. Annual 5% Compound Inflation (Endorsement LTC-5COMP 4/11)

The Long-Term Care benefit and remaining policy limit will increase 5% per year compounded.

In addition, we are filing a fifth inflation option that will not be available upon launch of this product but we may make available at a later date:

5. Annual 3% Compound Inflation (Endorsement LTC-3COMP 4/11)

The Long-Term Care benefit and remaining policy limit will increase 3% per year compounded.

**John Hancock Life Insurance Company
Individual Long-Term Care Policy Series LTC-12 DC**

Portfolio Rate of Return Formula for the Benefit Builder Option

$$\text{Portfolio Rate of Return} = \frac{2I}{(A + B - I)}$$

I = Net Income on Invested Assets

A = Total Asset Value_{BOP}

B = Total Asset Value_{EOP}

Portfolio Rate of Return =

$$\frac{2 * \text{Net Income on Invested Assets}^1}{(\text{Total Asset Value}^2_{\text{BOP}} + \text{Total Asset Value}^2_{\text{EOP}} - \text{Net Income on Invested Assets}^1)}$$

¹Net Income on Invested Assets is net of investment expenses. Net income examples include:

For Fixed Income & Cash Equivalents

- coupons and interest income
- amortization of premium/discount
- realized gain/loss (includes impairments and recoveries)

For Non-Fixed Income

- dividends and other income
- realized gain/loss
- change in unrealized gain/loss

²Total Asset Value =

For Fixed Income, Book Value (Amortized Cost + Accrued Interest - Impairments where
Amortized Cost = Outstanding Principal adjusted for Amortization of
Premium/Discount)

For Non-Fixed Income, Market Value

Fixed income refers to any type of investment which contractually provides for either a fixed stream of income or a stream of income that is determined according to a specified formula. For example, fixed income includes but is not limited to bonds, mortgages, and cash. Other Assets include but are not limited to equities and real estate.

**John Hancock Life Insurance Company
Individual Long-Term Care Policy Series LTC-12 DC**

Partner Discounts and Underwriting Factors

The following two paragraphs describe the partner discount available with this product and the underwriting factors for the different rate classes. The combination of these two items is limited to a 35% reduction from single life standard rates.

- *Spouse or Domestic Partner or Civil Union Partner Discount*
A spouse or domestic partner or civil union partner discount of 30% is available for married couples, domestic partners (unmarried individuals who are not related to each other and who have filed or registered as domestic partners), civil union partner (members of a civil union who have filed or registered with a government agency in any jurisdiction where legally recognized) of the same or opposite sex or immediate family members of the same generation who have lived together the last 3 years and if both individuals apply for long-term care insurance with the company at the same time and are approved for coverage and accept the policies under the same policy form.
- *Underwriting Classes*
A preferred class, standard class, and two sub-standard classes are available. Preferred Rates are 90% of standard rates and the substandard rates are 125% and 150% of standard rates.

Other Discounts

- *Sponsored Group Discount*
For eligible employer, association, and other groups approved by us, a 5% discount will be applied to each policy.
- *Family Discount*
If three or more members of an immediate family purchase the policy, a 5% discount applies. This discount is not available in combination with the Sponsored Group discount.
- *Loyalty Credit*
If an insured has an existing John Hancock individual long-term care policy from a prior policy series in force for more than three years and replaces that coverage with this policy, there will be a 5% credit applied to this policy.

Rider Charges

Nonforfeiture	6%
Waiver of Home Health Care EP	17%
Additional Cash Benefit	10%
Shared Care	2 yr BP: 26% 3 yr BP: 16% 4 yr BP: 11% 5 yr BP: 10% 6 yr BP: 8%

**John Hancock Life Insurance Company
Individual Long-Term Care Policy Series LTC-12 DC**

Premium Modalization Rules

Semiannual:	.52 * Annual Premium
Quarterly:	.27 * Annual Premium
Monthly:	.09 * Annual Premium

These factors recover interest and premiums lost due to deferred payments and off anniversary lapses as compared to annual mode experience.

Contract Reserves

Active Life Reserves

Reserve Basis

- One-year Full Preliminary Term
- The assumptions used for reserves contain reasonable margins for adverse experience
- The net valuation premium for renewal years does not increase

Morbidity

- 107.5% (2.41% load for claim administration expenses and 5% margin for adverse experience) of the select and ultimate claim costs developed for this form and as described above in the pricing assumptions. No future morbidity improvements are assumed.

Interest

- 3.5% discount rate
- Future benefit increases for the Benefit Builder option are projected assuming a 3.5% portfolio rate.

Mortality

- Gender specific 1994 Group Annuity mortality

Persistency

- Policy years 1-4: 80% of the lapse rate used in the calculation of gross premiums (as described above in the pricing assumptions)
- Policy years 5+: 100% of the voluntary lapse rate used in the calculation of gross premiums.

Claim Liability and Reserves

The claim reserves are calculated as the present value of future claim payments for claims that have been incurred, based on claim runoffs that reflect 95% of our pricing claim termination rates (for conservatism), discounted at 3.5% interest.

**John Hancock Life Insurance Company
Individual Long-Term Care Policy Series LTC-12 DC**

Premium Rate Schedules

The following pages contain the premium rate schedules to which the information in this actuarial memorandum applies. The premium rate schedule is not less than the premium rate schedule for existing similar policy forms with issue age rates schedules and comparable premium-paying periods also available except for reasonable differences attributable to benefits. Please note that rates for ages 76-90 are only available for SharedCare guaranteed purchase option

The Single Premium rates that are used to calculate the Benefit Builder Increases are in the Excel spreadsheet accompanying this form.

**John Hancock Life Insurance Company
Individual Long-Term Care Policy Series LTC-12 DC**

**Long-Term Care Policy Series LTC - 12 DC
Single Male Standard Rates per \$10 of Daily Coverage
90-Day EP**

Age*	CPI Compound Inflation					5% Compound Inflation					CPI Inflation to 75					Benefit Builder					3% Compound Inflation				
	Benefit Period					Benefit Period					Benefit Period					Benefit Period					Benefit Period				
	2	3	4	5	6	2	3	4	5	6	2	3	4	5	6	2	3	4	5	6	2	3	4	5	6
18-29	70	86	92	99	116	200	246	259	283	331	60	73	78	86	101	29	33	36	38	44	83	99	105	113	132
30	74	91	97	104	122	202	248	262	286	334	63	77	82	90	106	31	35	38	40	46	87	104	111	119	139
31	75	92	99	106	124	203	248	262	287	335	64	78	83	91	107	32	36	39	41	47	88	105	113	121	141
32	76	93	100	107	126	203	249	263	287	335	64	79	84	92	109	33	37	41	43	49	89	107	115	123	143
33	77	94	102	109	127	204	249	263	288	336	65	80	86	94	110	33	38	42	44	51	90	108	117	125	146
34	79	96	103	111	129	204	249	264	288	336	66	81	87	95	111	34	39	43	46	52	91	110	119	127	148
35	80	97	105	113	131	205	250	264	289	337	67	82	88	96	113	35	40	45	47	54	92	111	121	129	150
36	81	98	107	114	133	205	250	265	290	337	67	83	89	98	114	36	42	46	49	56	93	113	123	131	152
37	82	99	108	116	135	206	250	265	290	338	68	84	91	99	115	37	43	48	51	57	94	114	125	133	155
38	84	101	110	118	137	206	251	266	291	338	69	85	92	100	117	38	44	50	52	59	95	116	127	136	157
39	85	102	112	120	139	207	251	266	291	339	69	86	93	102	118	39	45	51	54	61	96	117	129	138	160
40	86	103	114	122	141	207	251	267	292	339	70	87	95	103	120	40	47	53	56	63	97	119	131	140	162
41	87	105	115	124	144	209	253	270	296	346	71	88	96	105	123	41	48	54	57	65	99	121	133	143	166
42	89	106	117	126	148	211	255	273	299	352	73	89	98	107	126	42	49	56	59	67	101	123	135	145	171
43	90	108	118	129	152	213	257	276	303	359	74	90	99	109	129	43	50	57	60	68	102	125	138	148	175
44	91	109	120	131	155	215	259	280	307	365	75	91	101	111	132	45	51	58	62	70	104	127	140	151	180
45	93	111	122	133	159	217	261	283	311	372	76	93	102	112	135	46	52	59	63	72	106	129	142	154	185
46	94	113	123	136	163	219	263	286	315	379	78	94	104	114	138	47	53	61	65	74	108	131	144	157	190
47	96	114	125	138	167	221	265	290	319	386	79	95	105	116	141	49	55	62	66	76	110	133	147	160	195
48	97	116	127	141	171	223	267	293	323	394	80	96	107	118	145	50	56	64	68	78	112	135	149	163	200
49	99	118	129	143	176	225	270	297	327	401	82	97	109	120	148	51	57	65	69	80	114	137	152	166	205
50	100	119	130	146	180	227	272	300	331	408	83	99	110	122	152	53	59	67	71	82	116	139	154	169	211
51	102	122	133	149	180	228	273	302	333	410	84	100	112	125	152	55	60	69	74	86	117	141	156	172	212
52	103	124	136	152	181	229	275	304	335	412	85	102	114	127	152	56	62	71	76	89	118	143	158	175	212
53	105	126	139	156	181	231	277	306	337	413	87	104	116	130	153	58	65	73	79	93	120	144	161	178	213
54	107	128	142	159	182	232	279	308	338	415	88	105	118	132	153	60	67	76	82	96	121	146	163	181	213
55	108	131	145	163	182	234	281	310	340	417	89	107	120	135	153	62	69	78	85	100	122	148	165	184	214
56	112	134	150	167	191	235	286	313	341	418	91	110	124	138	159	64	73	83	90	106	124	151	169	187	220
57	115	138	155	172	199	237	291	316	341	419	93	113	128	142	166	67	77	88	95	111	127	153	172	190	225
58	119	142	160	176	208	239	296	319	342	421	96	116	133	146	172	70	81	93	100	117	130	156	176	193	231
59	122	147	166	181	218	240	302	322	342	422	98	119	137	149	180	73	85	98	106	123	132	158	180	196	237
60	126	151	171	186	227	242	307	325	342	424	100	122	142	153	187	76	90	104	112	130	135	161	184	199	243
61	133	161	181	196	236	246	314	332	350	427	105	130	150	161	194	82	97	111	120	140	142	171	194	209	252
62	140	171	192	206	245	249	320	340	357	429	111	138	158	168	201	87	104	118	128	151	149	182	205	219	262
63	147	182	203	216	255	252	327	348	365	432	116	146	167	177	209	94	112	126	137	162	156	193	216	230	271
64	155	194	215	227	264	256	333	356	373	435	122	155	176	185	217	101	120	134	147	175	164	205	228	241	281
65	163	206	228	239	274	259	340	365	381	438	128	165	186	194	225	108	130	143	157	188	172	218	241	253	292
66	176	222	245	259	299	276	359	386	408	473	138	177	199	210	245	119	142	157	173	204	186	235	259	274	318
67	190	238	262	280	325	293	378	409	437	511	149	190	212	228	267	130	157	173	190	222	201	252	278	297	345
68	204	255	282	304	354	311	398	433	468	552	161	204	227	247	290	143	172	190	209	242	217	271	298	322	375
69	220	274	302	329	385	330	419	459	501	597	174	219	243	267	315	157	189	209	230	263	234	292	320	349	408
70	238	295	324	357	419	351	442	486	536	645	188	235	260	289	343	173	208	231	253	287	253	314	344	378	444
71	259	323	353	388	451	392	487	531	578	687	202	255	283	314	373	191	229	252	281	312	274	343	373	409	475
72	282	355	385	422	485	437	538	580	623	732	217	277	309	341	406	210	252	276	311	339	296	374	404	442	509
73	307	390	419	458	523	487	593	634	671	781	233	301	337	371	441	232	277	302	345	368	320	409	438	479	545
74	334	429	456	498	563	544	654	693	724	832	250	326	368	403	480	256	304	330	382	401	347	446	474	518	584
75	363	471	497	542	606	606	721	757	780	887	269	354	401	438	522	282	335	361	423	435	375	487	514	560	625
76	405					662										315					418				
77	451					723										353					467				
78	505					789										395					521				
79	563					862										443					581				
80	925					1357										726					954				
81	988					1437										783					1019				
82	1055					1524										845					1088				
83	1129					1616										913					1164				
84	1205					1712										984					1245				
85	1289					1814										1062					1330				
86	1360					1922										1130					1402				
87	1437					2044										1205					1483				
88	1516					2172										1284					1562				
89	1601					2308										1370					1651				
90	1689					2454										1458					1741				
91+																									

*Ages 76-90 only available for the Shared Care guaranteed option

**CPI Inflation to 75: ages 71-75 only available for Guaranteed Increase Option

State:	District of Columbia	Filing Company:	John Hancock Life Insurance Company (USA)
TOI/Sub-TOI:	LTC03I Individual Long Term Care/LTC03I.001 Qualified		
Product Name:	Long-Term Care Insurance		
Project Name/Number:	CCIII w/BB Reprice - 2013 Gender Distinct/CCIII w/BB Reprice - 2013 Gender Distinct		

Supporting Document Schedules

Satisfied - Item:	Actuarial Justification
Comments:	The actuarial memorandum has been placed in the rate/rule schedule tab.
Attachment(s):	
Item Status:	
Status Date:	

Satisfied - Item:	Cover Letter
Comments:	
Attachment(s):	Cover Letter Rates LTC-12.pdf
Item Status:	
Status Date:	

Satisfied - Item:	Life & Health Transmittal
Comments:	
Attachment(s):	industry_forms_lh_trans_DC.pdf
Item Status:	
Status Date:	

John Hancock Life Insurance Company (U.S.A.)

John Hancock Place
Post Office Box 111 B-6-6
Boston, Massachusetts 02117
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Direct: (617) 572-0114
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Email: phamlett@jhancock.com



Pat Hamlett
Contract Consultant
LTC Contracts and Legislative Services

January 14, 2014

Chester A. McPherson
Interim Commissioner
Government of the District of Columbia
Department of Insurance, Securities, and Banking
810 First Street, N.E. Suite 701
Washington, DC 20002

Re: John Hancock Life Insurance Company (U.S.A.)
Company NAIC # 65838, FEIN # 01-0233346
Individual Long-Term Care Insurance Submission
Revised Actuarial Memo for Policy Form LTC-12 DC

(Related Form SERFF Filing # 129370605 – Submitted on 1/14/2014)

Dear Commissioner,

We enclose the above referenced actuarial memo for your review and approval. This memo and new rate schedules will replace any previously approved by your department. These updates are associated with our Custom Care III featuring Benefit Builder policy form LTC-12 DC approved by your department on 8/9/2013, SERFF File # MULF-128871366.

Rates

We completed a comprehensive experience study this year and are reflecting new assumptions. We also found that experience on older products is deteriorating. This has led us to increase our margins and therefore rates. The submitted rates are on average approximately 15% higher than current rates for this policy series.

Subject to your approval, the new premium rates will be applied on a prospective basis upon an implementation date to be determined based on administrative readiness. *It is important to note that no rate change will be imposed on existing policyholders.*

The following items are included in this submission:

- the submission letter.
- all actuarial material.
- all required certifications.

Thank you for your time and consideration in this matter.

Sincerely,

Life, Accident & Health, Annuity, Credit Transmittal Document

1.	Prepared for the State of	District of Columbia
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2.	Department Use Only
	State Tracking ID

3.	Insurer Name & Address	Domicile	Insurer License Type	NAIC Group #	NAIC #	FEIN #	State #
	John Hancock Life Insurance Company (U.S.A.) P. O. Box 111 Boston, MA 02116	MI	Life & Health	904	65838	01-0233346	

4.	Contact Name & Address	Telephone #	Fax #	E-mail Address
	Pat Hamlett 200 Berkeley Street, B-6-06 Boston, MA 02116	617-572-0114	617-450-8198	phamlett@jhancock.com

5.	Requested Filing Mode	<input checked="" type="checkbox"/> Review & Approval <input type="checkbox"/> File & Use <input type="checkbox"/> Informational <input type="checkbox"/> Combination (please explain): _____ <input type="checkbox"/> Other (please explain): _____
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6.	Company Tracking Number	SERFF Filing # MULF-129370605
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7.	<input checked="" type="checkbox"/> New Submission <input type="checkbox"/> Resubmission	Previous file # _____
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8.	Market	<input checked="" type="checkbox"/> Individual <input type="checkbox"/> Franchise	
		Group	<input type="checkbox"/> Small <input type="checkbox"/> Large <input type="checkbox"/> Small and Large <input type="checkbox"/> Employer <input type="checkbox"/> Association <input type="checkbox"/> Blanket <input type="checkbox"/> Discretionary <input type="checkbox"/> Trust <input type="checkbox"/> Other: _____

9.	Type of Insurance	LTC03I.Individual Long Term Care
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10.	Product Coding Matrix Filing Code	LTC03I.001 Qualified
------------	--	-----------------------------

11.	Submitted Documents	<p><input type="checkbox"/> FORMS</p> <table style="width: 100%;"> <tr> <td><input type="checkbox"/> Policy</td> <td><input type="checkbox"/> Outline of Coverage</td> <td><input type="checkbox"/> Certificate</td> </tr> <tr> <td><input type="checkbox"/> Application/Enrollment</td> <td><input type="checkbox"/> Rider/Endorsement</td> <td><input type="checkbox"/> Advertising</td> </tr> <tr> <td><input type="checkbox"/> Schedule of Benefits</td> <td><input type="checkbox"/> Other</td> <td></td> </tr> </table> <p>Rates</p> <input checked="" type="checkbox"/> New Rate <input type="checkbox"/> Revised Rate	<input type="checkbox"/> Policy	<input type="checkbox"/> Outline of Coverage	<input type="checkbox"/> Certificate	<input type="checkbox"/> Application/Enrollment	<input type="checkbox"/> Rider/Endorsement	<input type="checkbox"/> Advertising	<input type="checkbox"/> Schedule of Benefits	<input type="checkbox"/> Other		
<input type="checkbox"/> Policy	<input type="checkbox"/> Outline of Coverage	<input type="checkbox"/> Certificate										
<input type="checkbox"/> Application/Enrollment	<input type="checkbox"/> Rider/Endorsement	<input type="checkbox"/> Advertising										
<input type="checkbox"/> Schedule of Benefits	<input type="checkbox"/> Other											
		<input type="checkbox"/> FILING OTHER THAN FORM OR RATE: Please explain: _____										
		<p>SUPPORTING DOCUMENTATION</p> <table style="width: 100%;"> <tr> <td><input type="checkbox"/> Articles of Incorporation</td> <td><input type="checkbox"/> Third Party Authorization</td> </tr> <tr> <td><input type="checkbox"/> Association Bylaws</td> <td><input type="checkbox"/> Trust Agreements</td> </tr> <tr> <td><input type="checkbox"/> Statement of Variability</td> <td><input type="checkbox"/> Certifications</td> </tr> <tr> <td><input checked="" type="checkbox"/> Actuarial Memorandum</td> <td></td> </tr> <tr> <td><input type="checkbox"/> Other _____</td> <td></td> </tr> </table>	<input type="checkbox"/> Articles of Incorporation	<input type="checkbox"/> Third Party Authorization	<input type="checkbox"/> Association Bylaws	<input type="checkbox"/> Trust Agreements	<input type="checkbox"/> Statement of Variability	<input type="checkbox"/> Certifications	<input checked="" type="checkbox"/> Actuarial Memorandum		<input type="checkbox"/> Other _____	
<input type="checkbox"/> Articles of Incorporation	<input type="checkbox"/> Third Party Authorization											
<input type="checkbox"/> Association Bylaws	<input type="checkbox"/> Trust Agreements											
<input type="checkbox"/> Statement of Variability	<input type="checkbox"/> Certifications											
<input checked="" type="checkbox"/> Actuarial Memorandum												
<input type="checkbox"/> Other _____												

12.	Filing Submission Date	1/14/2014	
13	Filing Fee (If required)	Amount <u>NA</u>	Check Date <u>NA</u>
		Retaliatory <input type="checkbox"/> Yes <input type="checkbox"/> No	Check Number <u>NA</u>
14.	Date of Domiciliary Approval	Compact version is pending approval with the Insurance Interstate Compact, of which Michigan is a member. Filing submitted in all states.	
15.	Filing Description:		
<p>We enclose the above referenced actuarial memo for your review and approval. This memo and new rate schedules will replace any previously approved by your department. These updates are associated with our Custom Care III featuring Benefit Builder policy form LTC-12 DC approved by your department on 8/9/2013, SERFF File # MULF-128871366.</p> <p><u>Rates</u> We completed a comprehensive experience study this year and are reflecting new assumptions. We also found that experience on older products is deteriorating. This has led us to increase our margins and therefore rates. The submitted rates are on average approximately 15% higher than current rates for this policy series.</p> <p>Subject to your approval, the new premium rates will be applied on a prospective basis upon an implementation date to be determined based on administrative readiness. <u><i>It is important to note that no rate change will be imposed on existing policyholders.</i></u></p> <p>The following items are included in this submission:</p> <ul style="list-style-type: none"> • the submission letter. • all actuarial material. • all required certifications. 			

16.	Certification (If required)		
I HEREBY CERTIFY that I have reviewed the applicable filing requirements for this filing, and the filing complies with all applicable statutory and regulatory provisions for the state of <u>District of Columbia</u> .			
Print Name	<u>Pat Hamlett</u>	Title	<u>Contract Consultant</u>
Signature	<u><i>Pat Hamlett</i></u>	Date:	<u>January 14, 2014</u>

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17.	Form Filing Attachment
This filing transmittal is part of company tracking number	
This filing corresponds to rate filing company tracking number	

	Document Name	Form Number		Replaced Form Number
	Description			Previous State Filing Number
01			<input type="checkbox"/> Initial <input type="checkbox"/> Revised <input type="checkbox"/> Other _____	N/A
02			<input type="checkbox"/> Initial <input type="checkbox"/> Revised <input type="checkbox"/> Other _____	N/A
03			<input type="checkbox"/> Initial <input type="checkbox"/> Revised <input type="checkbox"/> Other _____	N/A
04			<input type="checkbox"/> Initial <input type="checkbox"/> Revised <input type="checkbox"/> Other _____	N/A
05			<input type="checkbox"/> Initial <input type="checkbox"/> Revised <input type="checkbox"/> Other _____	N/A
06			<input type="checkbox"/> Initial <input type="checkbox"/> Revised <input type="checkbox"/> Other _____	N/A
07			<input type="checkbox"/> Initial <input type="checkbox"/> Revised <input type="checkbox"/> Other _____	N/A
08			<input type="checkbox"/> Initial <input type="checkbox"/> Revised <input type="checkbox"/> Other _____	N/A
09			<input type="checkbox"/> Initial <input type="checkbox"/> Revised <input type="checkbox"/> Other _____	N/A
10			<input type="checkbox"/> Initial <input type="checkbox"/> Revised <input type="checkbox"/> Other _____	N/A
11			<input type="checkbox"/> Initial <input type="checkbox"/> Revised <input type="checkbox"/> Other _____	N/A
12			<input type="checkbox"/> Initial <input type="checkbox"/> Revised <input type="checkbox"/> Other _____	N/A

18.		Rate Filing Attachment		
This filing transmittal is part of company tracking number				
This filing corresponds to form filing company tracking number		MULF-129370609		
Overall percentage rate indication (when applicable)				
Overall percentage rate impact for this filing		%		
	Document Name	Affected Form Numbers		Previous State Filing Number
	Description			
01	DC LTC 12 Actuarial Memorandum		<input checked="" type="checkbox"/> New <input type="checkbox"/> Revised Request +___% -___% <input type="checkbox"/> Other _____	
02			<input type="checkbox"/> New <input type="checkbox"/> Revised Request +___% -___% <input type="checkbox"/> Other _____	
03			<input type="checkbox"/> New <input type="checkbox"/> Revised Request +___% -___% <input type="checkbox"/> Other _____	
04			<input type="checkbox"/> New <input type="checkbox"/> Revised Request +___% -___% <input type="checkbox"/> Other _____	
05			<input type="checkbox"/> New <input type="checkbox"/> Revised Request +___% -___% <input type="checkbox"/> Other _____	
06			<input type="checkbox"/> New <input type="checkbox"/> Revised Request +___% -___% <input type="checkbox"/> Other _____	
07			<input type="checkbox"/> New <input type="checkbox"/> Revised Request +___% -___% <input type="checkbox"/> Other _____	
08			<input type="checkbox"/> New <input type="checkbox"/> Revised Request +___% -___% <input type="checkbox"/> Other _____	
09			<input type="checkbox"/> New <input type="checkbox"/> Revised Request +___% -___% <input type="checkbox"/> Other _____	
10			<input type="checkbox"/> New <input type="checkbox"/> Revised Request +___% -___% <input type="checkbox"/> Other _____	