



SOCIETY OF ACTUARIES

**SOA 09 Annual Meeting & Exhibit
October 25-28, 2009**

**Session 32 WS, LTCI Rate Stabilization - Is It
Working and What Have We Learned?**

Facilitators:

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LTCI Rate Stabilization: Is it Working and What Have We Learned?

SOA 2009 Annual Meeting
Session 32
October 26, 2009

Presenters

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Special Assistant to the Commissioner
Arkansas Insurance Department



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Milliman



Bruce Stahl

VP and Actuary
RGA Reinsurance Company



Jonathan Trend

AVP & Actuary
MetLife



1. Has rate stabilization worked (i.e., have the goals been achieved for blocks filed under rate stabilization)?
 - a. Has the filing process been expedited?
 - b. Has the pricing actuary been empowered?
 - c. Is there enough margin?
 - d. Have extreme pricing assumptions been eliminated?
 - e. Are rate increases smaller and less frequent?

2. What can be done to stabilize rates on older blocks (i.e., blocks not filed under rate stabilization)?
 - a. What have we learned and can these lessons be applied to older blocks of business?
 - b. Can these blocks (and should they) be managed under the umbrella of rate stabilization?
 - c. What is more painful (or Who wins and who loses): One big increase or a series of smaller ones?

3. Is there any consistency...

- a. In setting MAEs?
- b. In rate increase justification requirements?
- c. In rate increase approvals within states?
- d. In rate increase approvals between states?
- e. In treatment across companies who are mono-line versus multi-line, well capitalized versus poorly capitalized?