



BULLETIN:

# In-Force Rate Action Announcement: Maryland: Privileged Choice® Flex

April 12, 2021

**Effective:** 4/12/2021

**States:** MD

**Contact:** If you have any questions about these changes, please contact our Customer Service Team at 877 710.0817.

As part of the strategy for our long term care insurance business, we continue pursuing initiatives to improve the risk and profitability profile of our business, including premium increases on in-force policies, as needed.

Maryland has allowed the following increases.

Maryland	
Product Series	Increase Percentage
Privileged Choice Flex	26.56% phased 12.5%, 12.5% compounded

The following policies are excluded from this rate increase: issue age 70 and older, policies with no Inflation Protection, policies with Future Purchase Option, and policies with a 365 day Elimination Period.

## Communications Timeline

Servicing agents will receive a list of their impacted policyholders in this state one week prior to the start of policyholder notifications. Policyholder notifications will continue throughout the next year. Impacted policyholders will be notified at least 60 days in advance of their billing anniversary dates.

Agent Notifications\* Begin: April 13, 2021  
Policyholder Notifications Begin: April 20, 2021

\*If we have your email address on file, you will receive an agent notification through email stating your list of impacted policyholders is on Genworth PRO ([genworth.com/pro](https://genworth.com/pro)). You will not receive a hardcopy notification in the mail. If you do not receive an email, you will receive a hardcopy notification in the mail.

NOTE: Policyholders currently on claim will still receive a rate increase notification. However, if they are on waiver of premium, the rate increase will not apply until the premium is no longer waived and becomes due.

Policyholders are encouraged to call our Customer Service Team at **877 710.0817**. Our team will be able to answer questions and provide policyholders with information about how they may be able to reduce premiums.

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Genworth companies include:

**Genworth Life and Annuity Insurance Company**, Richmond, VA

**Genworth Life Insurance Company**, Richmond, VA

**Genworth Life Insurance Company of New York**, New York, NY

Only Genworth Life Insurance Company of New York is admitted in and conducts business in New York.

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158635V321MDFlexR1 4/12/2021

## Page 2, In-Force Rate Action Announcement: Maryland

### Policyholder Options

As a reminder, policyholders may have the ability to reduce their benefits in order to help maintain premium at approximate current levels. A policyholder may:

- (1) Choose to lower their current maximum daily benefit;
- (2) Adjust the benefit period, inflation option (if included with their coverage) or elimination period or
- (3) Where applicable, terminate Riders.

Based on individual policies, one of the following options may be available to policyholders up to 120 days after the Billing Anniversary Date on which the rate increase is effective:

- Optional limited benefits: The new coverage maximum will be equal to the total premiums paid on the policy, excluding waived premium, minus any benefits paid.
- Contingent nonforfeiture: The new coverage maximum will be either 30 times the Nursing Home Daily benefit or equal to the total premiums paid on the policy excluding waived premium, whichever is greater.
- Nonforfeiture Rider: If purchased with the policy; a paid-up policy according to the contract provisions, minus any benefits paid (not subject to the 120-day limitation).

Please note, when reducing the maximum daily benefit or benefit period, the lifetime maximum will also be reduced.

**IMPORTANT:** If policyholders choose to decrease their benefits, they may change their decision in writing within 60 days of our written confirmation of the benefits reduction. Following this, they cannot increase their benefits or go back to the original benefits.

If a person has previously been on claim, it may not be appropriate for this person to adjust his or her elimination period.

Reminder: The Inforce Rate Action Producer Quote Tool is accessible within individual policies on the LTC policy notification section of Genworth PRO ([genworth.com/pro](https://genworth.com/pro)). In addition, an online User Guide is available on PRO to help you learn how to use the quote tool.

Quotes to include the premium increase are not available until after the policyholder's rate increase notification has been mailed. The mailing date is 68 days prior to the policyholder's rate action effective date. Once a rate increase has been added to a policy, any quotes provided prior to the policyholder's rate increase notification being mailed will not include the new increased premium.

**Find premium increase information you can share directly with your clients at [genworth.com/LTCpremiums](https://genworth.com/LTCpremiums).**

**BULLETIN:**

# In-Force Rate Action Announcement: Maryland: PCS I and PCS II with Lifetime Stable Premium Option

April 12, 2021

**Effective:** 4/12/2021**States:** MD

**Contact:** If you have any questions about these changes, please contact our Customer Service Team at 800 883.1127.

As part of the strategy for our long term care insurance business, we continue pursuing initiatives to improve the risk and profitability profile of our business, including premium increases on in-force policies, as needed. Maryland has allowed the following increases.

Maryland		
Product Series	Increase for Policies with Limited Benefit Periods	Increase for Policies with Lifetime Benefit Periods
PCS I *	21% phased 10%, 10% compounded followed by a third year with no increase	21% phased 10%, 10% compounded followed by a third year with no increase
PCS II **	29.4% 15%, 12.5% compounded followed by a third year with no increase	29.4% 15%, 12.5% compounded followed by a third year with no increase

\* The PCS I rate increase applies to policies that are not issue age 75 and older, two year Benefit Period, and Lifetime Policies with no Inflation Protection.

\*\* The PCS II rate increase applies to policies that are not issue age 75 and older or two year Benefit Period.

**Communications Timeline**

Servicing agents will receive a list of their impacted policyholders in this state one week prior to the start of policyholder notifications. Policyholder notifications will continue throughout the next year. Impacted policyholders will be notified at least 60 days in advance of their billing anniversary dates.

Agent Notifications\* Begin: April 13, 2021  
Policyholder Notifications Begin: April 20, 2021

\*If we have your email address on file, you will receive an agent notification through email stating your list of impacted policyholders is on Genworth PRO ([genworth.com/pro](https://genworth.com/pro)). You will not receive a hardcopy notification in the mail. If you do not receive an email, you will receive a hardcopy notification in the mail.

NOTE: Policyholders currently on claim will still receive a rate increase notification. However, if they are on waiver of premium, the rate increase will not apply until the premium is no longer waived and becomes due.

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Genworth companies include:

**Genworth Life and Annuity Insurance Company**, Richmond, VA

**Genworth Life Insurance Company**, Richmond, VA

**Genworth Life Insurance Company of New York**, New York, NY

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158635V321MDLSPOR7 4/12/2021

## Page 2, In-Force Rate Action Announcement: Maryland

Policyholders are encouraged to call our Customer Service Team at **800 883.1127**. Our team will be able to answer questions and provide policyholders with information regarding the Lifetime Stable Premium Option and other ways they may be able to reduce premiums.

### Policyholder Options

As a reminder, policyholders may have the ability to reduce their benefits in order to help maintain premium at approximate current levels. A policyholder may:

- (1) Choose to lower their current maximum daily benefit;
- (2) Adjust the benefit period, inflation option (if included with their coverage) or elimination period or
- (3) Where applicable, terminate Riders.

Based on individual policies, one of the following options may be available to policyholders up to 120 days after the Billing Anniversary Date on which the rate increase is effective:

- **Optional limited benefits:** The new coverage maximum will be equal to the total premiums paid on the policy, excluding waived premium, minus any benefits paid.
- **Contingent nonforfeiture:** The new coverage maximum will be either 30 times the Nursing Home Daily benefit or equal to the total premiums paid on the policy excluding waived premium, whichever is greater.
- **Nonforfeiture Rider:** If purchased with the policy; a paid-up policy according to the contract provisions, minus any benefits paid (not subject to the 120-day limitation).

In addition, with this premium increase, **eligible PCS II policyholders** may consider the **Lifetime Stable Premium Option**. This option provides a guarantee that the new premium associated with the Lifetime Stable Premium Option will not increase for the life of the policy, along with a specific set of benefits shown in their premium increase notification. See the Lifetime Stable Premium Option bulletin dated August 17, 2020 for details.

Please note: when reducing the maximum daily benefit or benefit period, the lifetime maximum will also be reduced.

**IMPORTANT:** If policyholders choose to decrease their benefits, they may change their decision in writing within 60 days of our written confirmation of the benefits reduction. Following this, they cannot increase their benefits or go back to the original benefits.

If a person has previously been on claim, it may not be appropriate for this person to adjust his or her elimination period.

Reminder: The Inforce Rate Action Producer Quote Tool is accessible within individual policies on the LTC policy notification section of Genworth PRO ([genworth.com/pro](https://genworth.com/pro)). In addition, an online User Guide is available on PRO to help you learn how to use the quote tool.

Quotes to include the premium increase are not available until after the policyholder's rate increase notification has been mailed. The mailing date is 68 days prior to the policyholder's rate action effective date. Once a rate increase has been added to a policy, any quotes provided prior to the policyholder's rate increase notification being mailed will not include the new increased premium.

Policyholders who have been mailed a premium increase notification letter may be able to review their letter and choose one of their coverage options online. Once selected, policyholders can electronically sign and submit their choice. Policyholders can go to [genworth.com](https://genworth.com) to register for or log-on to their web account to view their policy information.

**Find premium increase information you can share directly with your clients at [genworth.com/LTCpremiums](https://genworth.com/LTCpremiums).**

### Policy Prefixes

- **PCS I:** AFG, ASF, CFG, CSG, DFG, DSG, ESG, EFG, FFG, FSG, IBG, IFG, ISG, JFG, JSG, LFG, LSG, MFG, MSG, NFG, NSG, OFG, OSG, RFG, RSG, TFG
- **PCS II:** UCG, CFG, HFN, PFN, PSN, MFG, UCO, UCN, UCK, UWP, VCG  
(Note: Lifetime Stable Premium Option will be available primarily to PCS II policies with a UCG prefix)



BULLETIN:

# In-Force Rate Action Announcement: Maryland: Privileged Choice® and Classic Select® with Flexible Benefit Option

April 12, 2021

**Effective:** 4/12/2021

**States:** MD

**Contact:** If you have any questions about these changes, please contact our Customer Service Team at 800 883.1127.

As part of the strategy for our long term care insurance business, we continue pursuing initiatives to improve the risk and profitability profile of our business, including premium increases on in-force policies, as needed.

Maryland has allowed the following increases for AARP® and non-AARP policies.

Maryland	
Product Series	Increase Percentage
Privileged Choice	32.25% phased 15%, 15% compounded
Classic Select	32.25% phased 15%, 15% compounded

This rate increase applies to policies that do not have a two year Benefit Period, Inflation Protection, or a 365 day Elimination Period.

## Communications Timeline

Servicing agents will receive a list of their impacted policyholders in this state one week prior to the start of policyholder notifications. Policyholder notifications will continue throughout the next year. Impacted policyholders will be notified at least 60 days in advance of their billing anniversary dates.

Agent Notifications\* Begin: April 13, 2021

Policyholder Notifications Begin: April 20, 2021

\*If we have your email address on file, you will receive an agent notification through email stating your list of impacted policyholders is on Genworth PRO ([genworth.com/pro](https://genworth.com/pro)). You will not receive a hardcopy notification in the mail. If you do not receive an email, you will receive a hardcopy notification in the mail.

NOTE: Policyholders currently on claim will still receive a rate increase notification. However, if they are on waiver of premium, the rate increase will not apply until the premium is no longer waived and becomes due.

Policyholders are encouraged to call our Customer Service Team at **800 883.1127**. Our team will be able to answer questions and provide policyholders with information regarding the Flexible Benefit option and other ways they may be able to reduce premiums.

Page 1 of 2

Genworth companies include:

**Genworth Life and Annuity Insurance Company**, Richmond, VA

**Genworth Life Insurance Company**, Richmond, VA

**Genworth Life Insurance Company of New York**, New York, NY

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## Page 2, In-Force Rate Action Announcement: Maryland

### Policyholder Options

As a reminder, policyholders may have the ability to reduce their benefits in order to help maintain premium at approximate current levels. A policyholder may:

- (1) Choose to lower their current maximum daily benefit;
- (2) Adjust the benefit period, inflation option (if included with their coverage) or elimination period or
- (3) Where applicable, terminate Riders.

Based on individual policies, one of the following options may be available to policyholders up to 120 days after the Billing Anniversary Date on which the rate increase is effective:

- Optional limited benefits: The new coverage maximum will be equal to the total premiums paid on the policy, excluding waived premium, minus any benefits paid.
- Contingent nonforfeiture: The new coverage maximum will be either 30 times the Nursing Home Daily benefit or equal to the total premiums paid on the policy excluding waived premium, whichever is greater.
- Nonforfeiture Rider: If purchased with the policy; a paid-up policy according to the contract provisions, minus any benefits paid (not subject to the 120-day limitation).

With this premium increase **eligible Privileged Choice and Classic Select** policyholders may consider the **Flexible Benefit option** to adjust coverage and help mitigate both the current and planned future increases and to lock in the new premium until at least January 1, 2025. With this option benefits are paid on an indemnity basis which means instead of submitting receipts and getting reimbursed for covered care, we simply pay a monthly benefit determined by where covered care is provided (nursing home, assisted care facility and/or home). This option includes a specific set of benefits shown in the policyholder premium increase notification. See the Privileged Choice and Classic Select Flexible Benefit Option bulletin dated *March 16, 2020* for details.

Please note: when reducing the maximum daily benefit or benefit period, the lifetime maximum will also be reduced.

**IMPORTANT:** If policyholders choose to decrease their benefits, they may change their decision in writing within 60 days of our written confirmation of the benefits reduction. Following this, they cannot increase their benefits or go back to the original benefits.

If a person has previously been on claim, it may not be appropriate for this person to adjust his or her elimination period.

Reminder: The Inforce Rate Action Producer Quote Tool is accessible within individual policies on the LTC policy notification section of Genworth PRO ([genworth.com/pro](https://genworth.com/pro)). In addition, an online User Guide is available on PRO to help you learn how to use the quote tool.

Quotes to include the premium increase are not available until after the policyholder's rate increase notification has been mailed. The mailing date is 68 days prior to the policyholder's rate action effective date. Once a rate increase has been added to a policy, any quotes provided prior to the policyholder's rate increase notification being mailed will not include the new increased premium.

Policyholders who have been mailed a premium increase notification letter may be able to review their letter and choose one of their coverage options online. Once selected, policyholders can electronically sign and submit their choice. Policyholders can go to [genworth.com](https://genworth.com) to register for or log-on to their web account to view their policy information

**Find premium increase information you can share directly with your clients at [genworth.com/LTCpremiums](https://genworth.com/LTCpremiums).**

### Policy Prefixes

**Privileged Choice and Classic Select: AAA, VAA, VBA, KAA, OAA, LAA, HAA, ARP, VAP, VOD, VOE**