

FILED

APR 14 2021

INSURANCE REGULATION
Docketed by: 



OFFICE OF INSURANCE REGULATION

DAVID ALTMAIER
COMMISSIONER

IN THE MATTER OF:

CASE NO.: 276568-21-CO

LIFESECURE INSURANCE COMPANY

CONSENT ORDER

THIS CAUSE came on for consideration as a result of a rate filing submitted to the FLORIDA OFFICE OF INSURANCE REGULATION ("OFFICE") by LIFESECURE INSURANCE COMPANY ("LIFESECURE" or "company"). Following a complete review of the entire record, and upon consideration thereof, and being otherwise fully advised in the premises, the OFFICE hereby finds as follows:

1. The OFFICE has jurisdiction over the subject matter of and the parties to this proceeding.
2. LIFESECURE is a foreign insurer domiciled in Michigan, authorized to transact life and health insurance business in Florida, and subject to regulation by the OFFICE pursuant to the Florida Insurance Code and Florida Administrative Code.
3. LIFESECURE has submitted a filing for a rate increase on certain long-term care policy forms underwritten by the company.
4. Based upon the OFFICE's review of LIFESECURE's proposed long-term care rate schedules as filed in Florida file log number FLR 20-013466, the OFFICE has determined that the company's proposed premium rates have not been adequately demonstrated to be reasonable in

relation to the benefits provided as required by Section 627.410, Florida Statutes, and Rule Chapter 690-149, Florida Administrative Code. However, the OFFICE has determined that some rate increase is necessary in order for LIFESECURE to have adequate rates and protect the interests of its policyholders.

5. In order to resolve this issue, and in the aim of bringing consumer clarity to all current LIFESECURE long-term care policyholders, the OFFICE, subject to the limitations and restrictions stated below, approves rate increases as outlined in paragraphs 6 through 11, below.

6. LIFESECURE agrees to be subject to the following terms and conditions with respect to the LS-0002 FL 07/07 form on its Comprehensive Block:

a. The company or representatives of the company shall not request or apply for any further rate increase on the policies at issue in file log number FLR 20-013466 for a period of 8 years;

b. The rate increase shall be implemented over a period of 3 years. The first increment shall be imposed beginning at least 45 days after the date of approval, with the following two increments imposed thereafter on or after the anniversary date of the prior year's increase, but in no event will any policyholder receive more than one rate increase within a twelve-month (consecutive) period;

c. The amount of the rate increase will also take into account the issue age of the policyholder and the type of policy form held by each policyholder. The increases will be implemented according to the following table:

First Year				Second Year				Third Year			
Forms:LS-0002 (FL)											
Issue Age	Rate Increase	Issue Age	Rate Increase	Issue Age	Rate Increase	Issue Age	Rate Increase	Issue Age	Rate Increase	Issue Age	Rate Increase
18	15.7%	52	15.7%	18	15.7%	52	15.7%	18	15.7%	52	15.7%
19	15.7%	53	15.7%	19	15.7%	53	15.7%	19	15.7%	53	15.7%
20	15.7%	54	15.7%	20	15.7%	54	15.7%	20	15.7%	54	15.7%
21	15.7%	55	15.7%	21	15.7%	55	15.7%	21	15.7%	55	15.7%
22	15.7%	56	15.7%	22	15.7%	56	15.7%	22	15.7%	56	15.7%
23	15.7%	57	15.7%	23	15.7%	57	15.7%	23	15.7%	57	15.7%
24	15.7%	58	15.7%	24	15.7%	58	15.7%	24	15.7%	58	15.7%
25	15.7%	59	15.7%	25	15.7%	59	15.7%	25	15.7%	59	15.7%
26	15.7%	60	15.7%	26	15.7%	60	15.7%	26	15.7%	60	15.7%
27	15.7%	61	15.7%	27	15.7%	61	15.7%	27	15.7%	61	15.7%
28	15.7%	62	15.7%	28	15.7%	62	15.7%	28	15.7%	62	15.7%
29	15.7%	63	15.7%	29	15.7%	63	15.7%	29	15.7%	63	15.7%
30	15.7%	64	15.7%	30	15.7%	64	15.7%	30	15.7%	64	15.7%
31	15.7%	65	15.7%	31	15.7%	65	15.7%	31	15.7%	65	15.7%
32	15.7%	66	15.7%	32	15.7%	66	15.7%	32	15.7%	66	15.7%
33	15.7%	67	15.7%	33	15.7%	67	15.7%	33	15.7%	67	15.7%
34	15.7%	68	15.7%	34	15.7%	68	15.7%	34	15.7%	68	15.7%
35	15.7%	69	15.7%	35	15.7%	69	15.7%	35	15.7%	69	15.7%
36	15.7%	70	15.7%	36	15.7%	70	15.7%	36	15.7%	70	15.7%
37	15.7%	71	14.3%	37	15.7%	71	14.3%	37	15.7%	71	14.3%
38	15.7%	72	12.9%	38	15.7%	72	12.9%	38	15.7%	72	12.9%
39	15.7%	73	11.5%	39	15.7%	73	11.5%	39	15.7%	73	11.5%
40	15.7%	74	10.0%	40	15.7%	74	10.0%	40	15.7%	74	10.0%
41	15.7%	75	8.4%	41	15.7%	75	8.4%	41	15.7%	75	8.4%
42	15.7%	76	6.9%	42	15.7%	76	6.9%	42	15.7%	76	6.9%
43	15.7%	77	5.2%	43	15.7%	77	5.2%	43	15.7%	77	5.2%
44	15.7%	78	3.5%	44	15.7%	78	3.5%	44	15.7%	78	3.5%
45	15.7%	79	1.8%	45	15.7%	79	1.8%	45	15.7%	79	1.8%
46	15.7%	80	0.0%	46	15.7%	80	0.0%	46	15.7%	80	0.0%
47	15.7%	81	0.0%	47	15.7%	81	0.0%	47	15.7%	81	0.0%
48	15.7%	82	0.0%	48	15.7%	82	0.0%	48	15.7%	82	0.0%
49	15.7%	83	0.0%	49	15.7%	83	0.0%	49	15.7%	83	0.0%
50	15.7%	84	0.0%	50	15.7%	84	0.0%	50	15.7%	84	0.0%
51	15.7%	85	0.0%	51	15.7%	85	0.0%	51	15.7%	85	0.0%

7. LIFESECURE further agrees to provide the following options to policyholders on the LS-0002 FL 07/07 form on its Comprehensive Block who would like to lower premium costs:
- a. Accepting a reduction in benefit bank and resulting reduction in monthly benefit;
 - b. Accepting a reduction or removal of the inflation factor (compound or simple) provided under the policy. This option would freeze the policyholder's daily benefit amount at the currently inflated level and alter or remove future inflation protection;
 - c. Accepting a paid-up policy with maximum benefits equal to the premium paid less any claims paid. This option would exempt the policyholder from making any future

payments, and all other policy provisions, other than the maximum benefit, would remain unchanged.

8. LIFESECURE agrees to be subject to the following terms and conditions with respect to the LS-LTC-0004 FL 01/13 form on its Comprehensive Block:

a. The company or representatives of the company shall not request or apply for any further rate increase on the policies at issue in file log number FLR 20-013466 for a period of 8 years;

b. The rate increase shall be implemented over a period of 1 year and shall be imposed beginning at least 45 days after the date of approval;

c. The amount of the rate increase will also take into account the issue age of the policyholder and the type of policy form held by each policyholder. The increases will be implemented according to the following table:

First Year				Second Year				Third Year			
Forms:LS-0004 FL 01/13, et al											
Issue Age	Rate Increase	Issue Age	Rate Increase	Issue Age	Rate Increase	Issue Age	Rate Increase	Issue Age	Rate Increase	Issue Age	Rate Increase
18	13.0%	52	13.0%	18	0.0%	52	0.0%	18	0.0%	52	0.0%
19	13.0%	53	13.0%	19	0.0%	53	0.0%	19	0.0%	53	0.0%
20	13.0%	54	13.0%	20	0.0%	54	0.0%	20	0.0%	54	0.0%
21	13.0%	55	13.0%	21	0.0%	55	0.0%	21	0.0%	55	0.0%
22	13.0%	56	13.0%	22	0.0%	56	0.0%	22	0.0%	56	0.0%
23	13.0%	57	13.0%	23	0.0%	57	0.0%	23	0.0%	57	0.0%
24	13.0%	58	13.0%	24	0.0%	58	0.0%	24	0.0%	58	0.0%
25	13.0%	59	13.0%	25	0.0%	59	0.0%	25	0.0%	59	0.0%
26	13.0%	60	13.0%	26	0.0%	60	0.0%	26	0.0%	60	0.0%
27	13.0%	61	13.0%	27	0.0%	61	0.0%	27	0.0%	61	0.0%
28	13.0%	62	13.0%	28	0.0%	62	0.0%	28	0.0%	62	0.0%
29	13.0%	63	13.0%	29	0.0%	63	0.0%	29	0.0%	63	0.0%
30	13.0%	64	13.0%	30	0.0%	64	0.0%	30	0.0%	64	0.0%
31	13.0%	65	13.0%	31	0.0%	65	0.0%	31	0.0%	65	0.0%
32	13.0%	66	13.0%	32	0.0%	66	0.0%	32	0.0%	66	0.0%
33	13.0%	67	13.0%	33	0.0%	67	0.0%	33	0.0%	67	0.0%
34	13.0%	68	13.0%	34	0.0%	68	0.0%	34	0.0%	68	0.0%
35	13.0%	69	13.0%	35	0.0%	69	0.0%	35	0.0%	69	0.0%
36	13.0%	70	13.0%	36	0.0%	70	0.0%	36	0.0%	70	0.0%
37	13.0%	71	11.7%	37	0.0%	71	0.0%	37	0.0%	71	0.0%
38	13.0%	72	10.4%	38	0.0%	72	0.0%	38	0.0%	72	0.0%
39	13.0%	73	9.1%	39	0.0%	73	0.0%	39	0.0%	73	0.0%
40	13.0%	74	7.8%	40	0.0%	74	0.0%	40	0.0%	74	0.0%
41	13.0%	75	6.5%	41	0.0%	75	0.0%	41	0.0%	75	0.0%
42	13.0%	76	5.2%	42	0.0%	76	0.0%	42	0.0%	76	0.0%
43	13.0%	77	3.9%	43	0.0%	77	0.0%	43	0.0%	77	0.0%
44	13.0%	78	2.6%	44	0.0%	78	0.0%	44	0.0%	78	0.0%
45	13.0%	79	1.3%	45	0.0%	79	0.0%	45	0.0%	79	0.0%
46	13.0%	80	0.0%	46	0.0%	80	0.0%	46	0.0%	80	0.0%
47	13.0%	81	0.0%	47	0.0%	81	0.0%	47	0.0%	81	0.0%
48	13.0%	82	0.0%	48	0.0%	82	0.0%	48	0.0%	82	0.0%
49	13.0%	83	0.0%	49	0.0%	83	0.0%	49	0.0%	83	0.0%
50	13.0%	84	0.0%	50	0.0%	84	0.0%	50	0.0%	84	0.0%
51	13.0%	85	0.0%	51	0.0%	85	0.0%	51	0.0%	85	0.0%

9. LIFESecure further agrees to provide the following options to policyholders on the LS-LTC-0004 FL 01/13 form on its Comprehensive Block who would like to lower premium costs:

- a. Accepting a reduction in benefit bank and resulting reduction in monthly benefit;
- b. Accepting a reduction or removal of the inflation factor (compound or single) provided under the policy. This option would freeze the policyholder's daily benefit amount at the currently inflated level, and alter or remove future inflation protection;

c. Accepting a paid-up policy with maximum benefits equal to the premium paid less any claims paid. This option would exempt the policyholder from making any future premium payments, and all other policy provisions, other than the maximum benefit, would remain unchanged.

10. LIFESECURE agrees to be subject to the following terms and conditions with respect to the LS-LTC-0005 FL 01/13 form on its Comprehensive Block:

a. The company or representatives of the company shall not request or apply for any further rate increase on the policies at issue in file log number FLR 20-013466 for a period of 8 years;

b. The rate increase shall be implemented over a period of 1 year and shall be imposed beginning at least 45 days after the date of approval;

c. The amount of the rate increase will also take into account the issue age of the policyholder and the type of policy form held by each policyholder. The increases will be implemented according to the following tables:

First Year				Second Year				Third Year			
Forms:LS-0005 FL 01/13, et al											
Issue Age	Rate Increase	Issue Age	Rate Increase	Issue Age	Rate Increase	Issue Age	Rate Increase	Issue Age	Rate Increase	Issue Age	Rate Increase
18	13.0%	52	13.0%	18	0.0%	52	0.0%	18	0.0%	52	0.0%
19	13.0%	53	13.0%	19	0.0%	53	0.0%	19	0.0%	53	0.0%
20	13.0%	54	13.0%	20	0.0%	54	0.0%	20	0.0%	54	0.0%
21	13.0%	55	13.0%	21	0.0%	55	0.0%	21	0.0%	55	0.0%
22	13.0%	56	13.0%	22	0.0%	56	0.0%	22	0.0%	56	0.0%
23	13.0%	57	13.0%	23	0.0%	57	0.0%	23	0.0%	57	0.0%
24	13.0%	58	13.0%	24	0.0%	58	0.0%	24	0.0%	58	0.0%
25	13.0%	59	13.0%	25	0.0%	59	0.0%	25	0.0%	59	0.0%
26	13.0%	60	13.0%	26	0.0%	60	0.0%	26	0.0%	60	0.0%
27	13.0%	61	13.0%	27	0.0%	61	0.0%	27	0.0%	61	0.0%
28	13.0%	62	13.0%	28	0.0%	62	0.0%	28	0.0%	62	0.0%
29	13.0%	63	13.0%	29	0.0%	63	0.0%	29	0.0%	63	0.0%
30	13.0%	64	13.0%	30	0.0%	64	0.0%	30	0.0%	64	0.0%
31	13.0%	65	13.0%	31	0.0%	65	0.0%	31	0.0%	65	0.0%
32	13.0%	66	13.0%	32	0.0%	66	0.0%	32	0.0%	66	0.0%
33	13.0%	67	13.0%	33	0.0%	67	0.0%	33	0.0%	67	0.0%
34	13.0%	68	13.0%	34	0.0%	68	0.0%	34	0.0%	68	0.0%
35	13.0%	69	13.0%	35	0.0%	69	0.0%	35	0.0%	69	0.0%
36	13.0%	70	13.0%	36	0.0%	70	0.0%	36	0.0%	70	0.0%
37	13.0%	71	11.7%	37	0.0%	71	0.0%	37	0.0%	71	0.0%
38	13.0%	72	10.4%	38	0.0%	72	0.0%	38	0.0%	72	0.0%
39	13.0%	73	9.1%	39	0.0%	73	0.0%	39	0.0%	73	0.0%
40	13.0%	74	7.8%	40	0.0%	74	0.0%	40	0.0%	74	0.0%
41	13.0%	75	6.5%	41	0.0%	75	0.0%	41	0.0%	75	0.0%
42	13.0%	76	5.2%	42	0.0%	76	0.0%	42	0.0%	76	0.0%
43	13.0%	77	3.9%	43	0.0%	77	0.0%	43	0.0%	77	0.0%
44	13.0%	78	2.6%	44	0.0%	78	0.0%	44	0.0%	78	0.0%
45	13.0%	79	1.3%	45	0.0%	79	0.0%	45	0.0%	79	0.0%
46	13.0%	80	0.0%	46	0.0%	80	0.0%	46	0.0%	80	0.0%
47	13.0%	81	0.0%	47	0.0%	81	0.0%	47	0.0%	81	0.0%
48	13.0%	82	0.0%	48	0.0%	82	0.0%	48	0.0%	82	0.0%
49	13.0%	83	0.0%	49	0.0%	83	0.0%	49	0.0%	83	0.0%
50	13.0%	84	0.0%	50	0.0%	84	0.0%	50	0.0%	84	0.0%
51	13.0%	85	0.0%	51	0.0%	85	0.0%	51	0.0%	85	0.0%

11. LIFESECURE further agrees to provide the following options to policyholders on the LS-LTC-0005 FL 01/13 form on its Comprehensive Block who would like to lower premium costs:

- a. Accepting a reduction in benefit bank and resulting reduction in monthly benefit;
- b. Accepting a reduction or removal of the inflation factor (compound or simple) provided under the policy. This option would freeze the policyholder's daily benefit amount at the currently inflated level and alter or remove future inflation protection;

c. Accepting a paid-up policy with maximum benefits equal to the premium paid less any claims paid. This option would exempt the policyholder from making any future premium payments, and all other policy provisions, other than the maximum benefit, would remain unchanged.

12. LIFESECURE acknowledges and agrees that all representations and requirements set forth herein are material to the issuance of this Consent Order. Violation of any provision of this Consent Order shall constitute a violation of a lawful order of the OFFICE and may subject LIFESECURE to one or more of the administrative remedies available under the Florida Insurance Code or other applicable law.

13. LIFESECURE expressly waives a hearing in this matter, the making of findings of fact and conclusions of law by the OFFICE, and all further and other proceedings herein to which it may be entitled by law or rules of the OFFICE. LIFESECURE hereby knowingly and voluntarily waives all rights to challenge or to contest this Consent Order in any forum available to it, now or in the future, including the right to any administrative proceeding, state or federal court action, or any appeal.

14. LIFESECURE expressly agrees that this Consent Order shall be binding on the company and any successor in interest. LIFESECURE further agrees to notify any successors in interest that this Consent Order is in force.

15. Each party to this action shall bear its own costs and fees.

16. The parties agree that this Consent Order shall be deemed to be executed when the OFFICE has signed and docketed a copy of this Consent Order bearing the signature of the authorized representative of LIFESECURE, notwithstanding the fact that the copy may have been transmitted to the OFFICE electronically. LIFESECURE agrees that the signature of its

authorized representative as affixed to this Consent Order shall be under the seal of a Notary Public.

WHEREFORE, the agreement between LIFESECURE INSURANCE COMPANY and the FLORIDA OFFICE OF INSURANCE REGULATION, the terms and conditions of which are set forth above, is APPROVED.

FURTHER, all terms and conditions contained herein are hereby ORDERED.

DONE and ORDERED this 14th day of April, 2021.



David Altmaier

David Altmaier, Commissioner
Office of Insurance Regulation

By execution hereof, LIFESECURE INSURANCE COMPANY consents to entry of this Consent Order, agrees without reservation to all of the above terms and conditions, and shall be bound by all provisions herein. The undersigned represents that they have the authority to bind LIFESECURE INSURANCE COMPANY to the terms and conditions of this Consent Order.



LIFESECURE INSURANCE COMPANY

By: Michael Troup

Print Name: Michael Troup

Title: Vice President Finance

Date: 4/7/2021

STATE OF Michigan
COUNTY OF Livingston

The foregoing instrument was acknowledged before me by means of physical presence

or online notarization, this 7th day of April 2021, by Michael Troup

as OFFICER for LIFESECURE INS. CO.
(type of authority; e.g., officer, trustee, attorney in fact) (name of person) (company name)

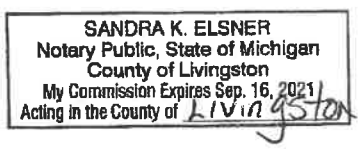
Sandra K. Elsner
(Signature of the Notary)

SANDRA K. ELSNER
(Print, Type or Stamp Commissioned Name of Notary)

Personally Known OR Produced Identification _____

Type of Identification Produced _____

My Commission Expires: SEPT. 16, 2021



COPIES FURNISHED TO:

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