



FILED

JAN 12 2017

OFFICE OF
INSURANCE REGULATION
Docketed by: 1048

OFFICE OF INSURANCE REGULATION

DAVID ALTMAIER
COMMISSIONER

IN THE MATTER OF:

CASE NO.: 200646-16-CO

METROPOLITAN LIFE INSURANCE COMPANY
_____ /

CONSENT ORDER

THIS CAUSE came on for consideration as a result of an agreement between METROPOLITAN LIFE INSURANCE COMPANY (hereinafter referred to as "METLIFE" or "company") and the OFFICE OF INSURANCE REGULATION (hereinafter referred to as "OFFICE"). 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. METLIFE is a foreign insurer authorized to transact life and health insurance business in the State of Florida and is subject to the jurisdiction and regulation of the OFFICE pursuant to the Florida Insurance Code and Florida Administrative Code.
3. METLIFE has submitted a filing dated May 5, 2016 under file log number FLR 16-09734 in which METLIFE requested an increase on long term care policy forms 1LTC-97-FL, LTC-IDEAL-FL, LTC-PREMIER-FL, LTC-VALUE-FL, LTC2-IDEAL-FL, LTC2-PREM-FL, LTC2-VAL-FL, GPNP99-LTC, LTC-FL.02 Ed. 11-91, LTC-E-FL.02 Ed. 11-91, LTC-FL.02

Ed.2-98, LTC-E-FL.02 Ed. 2-98, LTC.03(FL), TCL-LTC.04(FL) Ed. 4/00 (the "Forms").

4. Based upon the OFFICE's review of METLIFE's proposed long term care rate schedules as filed in Florida file log number FLR 16-09734, the OFFICE has determined that the insurance 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 69O-149, Florida Administrative Code. However, the OFFICE has determined that some rate increase is necessary on the Forms in order for METLIFE to have adequate rates and protect the interest of its policyholders.

5. In order to resolve this issue, and in the aim of bringing consumer clarity to METLIFE long term care policyholders insured under the Forms, the OFFICE, subject to the limitations and restrictions stated below, approves rate increases as outlined in paragraph 6.

6. METLIFE agrees to be subject to the following terms and conditions:

a. No rate increase shall be requested or applied for, by the company or representatives of the company, for a period of ten (10) years from the date the first rate increase is implemented, on the Forms;

b. The rate increase shall be implemented over a period of three (3) years consecutively, in percentage increments equivalent to $(1 + \text{Rate Increase})^{(1/3)} - 1$, where such increments compound to the total increase as detailed in the tables in paragraph 6c., below. The first increment shall be imposed beginning at least forty-five (45) days after the date of approval, with the following two increments imposed thereafter no earlier than the anniversary date of the prior year's increase, for the following two (2) years;

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:

Employer Group				Group				LTC97			
Issue Age	Rate Increase	Issue Age	Rate Increase	Issue Age	Rate Increase	Issue Age	Rate Increase	Issue Age	Rate Increase	Issue Age	Rate Increase
<35	20%	62	20%	<35	20%	62	20%	<35	65%	62	65%
36	20%	63	20%	36	20%	63	20%	36	65%	63	65%
37	20%	64	20%	37	20%	64	20%	37	65%	64	65%
38	20%	65	20%	38	20%	65	20%	38	65%	65	65%
39	20%	66	20%	39	20%	66	20%	39	65%	66	65%
40	20%	67	20%	40	20%	67	20%	40	65%	67	65%
41	20%	68	20%	41	20%	68	20%	41	65%	68	65%
42	20%	69	20%	42	20%	69	20%	42	65%	69	65%
43	20%	70	20%	43	20%	70	20%	43	65%	70	65%
44	20%	71	19%	44	20%	71	19%	44	65%	71	61%
45	20%	72	17%	45	20%	72	17%	45	65%	72	56%
46	20%	73	16%	46	20%	73	16%	46	65%	73	52%
47	20%	74	15%	47	20%	74	15%	47	65%	74	48%
48	20%	75	13%	48	20%	75	13%	48	65%	75	43%
49	20%	76	12%	49	20%	76	12%	49	65%	76	39%
50	20%	77	11%	50	20%	77	11%	50	65%	77	35%
51	20%	78	9%	51	20%	78	9%	51	65%	78	30%
52	20%	79	8%	52	20%	79	8%	52	65%	79	26%
53	20%	80	7%	53	20%	80	7%	53	65%	80	22%
54	20%	81	5%	54	20%	81	5%	54	65%	81	17%
55	20%	82	4%	55	20%	82	4%	55	65%	82	13%
56	20%	83	3%	56	20%	83	3%	56	65%	83	9%
57	20%	84	1%	57	20%	84	1%	57	65%	84	4%
58	20%	85+	0%	58	20%	85+	0%	58	65%	85+	0%
59	20%		0%	59	20%		0%	59	65%		0%
60	20%		0%	60	20%		0%	60	65%		0%
61	20%		0%	61	20%		0%	61	65%		0%

VIP1				VIP1RS				TIAA			
Issue Age	Rate Increase	Issue Age	Rate Increase	Issue Age	Rate Increase	Issue Age	Rate Increase	Issue Age	Rate Increase	Issue Age	Rate Increase
<35	70%	62	70%	<35	70%	62	70%	<35	55%	62	55%
36	70%	63	70%	36	70%	63	70%	36	55%	63	55%
37	70%	64	70%	37	70%	64	70%	37	55%	64	55%
38	70%	65	70%	38	70%	65	70%	38	55%	65	55%
39	70%	66	70%	39	70%	66	70%	39	55%	66	55%
40	70%	67	70%	40	70%	67	70%	40	55%	67	55%
41	70%	68	70%	41	70%	68	70%	41	55%	68	55%
42	70%	69	70%	42	70%	69	70%	42	55%	69	55%
43	70%	70	70%	43	70%	70	70%	43	55%	70	55%
44	70%	71	65%	44	70%	71	65%	44	55%	71	51%
45	70%	72	61%	45	70%	72	61%	45	55%	72	48%
46	70%	73	56%	46	70%	73	56%	46	55%	73	44%
47	70%	74	51%	47	70%	74	51%	47	55%	74	40%
48	70%	75	47%	48	70%	75	47%	48	55%	75	37%
49	70%	76	42%	49	70%	76	42%	49	55%	76	33%
50	70%	77	37%	50	70%	77	37%	50	55%	77	29%
51	70%	78	33%	51	70%	78	33%	51	55%	78	26%
52	70%	79	28%	52	70%	79	28%	52	55%	79	22%
53	70%	80	23%	53	70%	80	23%	53	55%	80	18%
54	70%	81	19%	54	70%	81	19%	54	55%	81	15%
55	70%	82	14%	55	70%	82	14%	55	55%	82	11%
56	70%	83	9%	56	70%	83	9%	56	55%	83	7%
57	70%	84	5%	57	70%	84	5%	57	55%	84	4%
58	70%	85+	0%	58	70%	85+	0%	58	55%	85+	0%
59	70%		0%	59	70%		0%	59	55%		0%
60	70%		0%	60	70%		0%	60	55%		0%
61	70%		0%	61	70%		0%	61	55%		0%

VIP2 Old				VIP2 New			
Issue Age	Rate Increase	Issue Age	Rate Increase	Issue Age	Rate Increase	Issue Age	Rate Increase
<35	60%	62	60%	<35	34%	62	34%
36	60%	63	60%	36	34%	63	34%
37	60%	64	60%	37	34%	64	34%
38	60%	65	60%	38	34%	65	34%
39	60%	66	60%	39	34%	66	34%
40	60%	67	60%	40	34%	67	34%
41	60%	68	60%	41	34%	68	34%
42	60%	69	60%	42	34%	69	34%
43	60%	70	60%	43	34%	70	34%
44	60%	71	56%	44	34%	71	32%
45	60%	72	52%	45	34%	72	29%
46	60%	73	48%	46	34%	73	27%
47	60%	74	44%	47	34%	74	25%
48	60%	75	40%	48	34%	75	23%
49	60%	76	36%	49	34%	76	20%
50	60%	77	32%	50	34%	77	18%
51	60%	78	28%	51	34%	78	16%
52	60%	79	24%	52	34%	79	14%
53	60%	80	20%	53	34%	80	11%
54	60%	81	16%	54	34%	81	9%
55	60%	82	12%	55	34%	82	7%
56	60%	83	8%	56	34%	83	5%
57	60%	84	4%	57	34%	84	2%
58	60%	85+	0%	58	34%	85+	0%
59	60%		0%	59	34%		0%
60	60%		0%	60	34%		0%
61	60%		0%	61	34%		0%

7. To the extent consistent with METLIFE'S existing filed and approved rates and Forms in Florida and Florida insurance law, METLIFE further agrees to provide the following options to policyholders who would like to lower premium costs:

- a. Accepting a reduction in the daily benefit provided by the policy;
- b. Accepting an increased elimination period under the policy. This option would increase the policyholder's initial out of pocket cost before the policy begins to provide benefits;
- c. Accepting a reduction or a 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;
- d. Accepting a paid-up policy with maximum benefits equal to the premium 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.

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

9. METLIFE expressly waives its right to 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 the parties may be entitled by law or rules of the OFFICE. METLIFE hereby knowingly and voluntarily waives all rights to challenge or to contest this Consent Order, in any forum now or in the future available to it, including the right to any administrative proceeding, state or federal court action, or any appeal.

10. The parties agree that this Consent Order shall be deemed to be executed when the OFFICE has signed a copy of this Consent Order bearing the signatures of METLIFE and/or its authorized representative under the seal of a notary public, notwithstanding the fact that the copy may have been transmitted to the OFFICE electronically.

11. Each party to this action shall bear its own costs and attorney's fees.

WHEREFORE, the agreement between METLIFE, and the OFFICE, 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 12th day of January, 2017.



David Altmaier
David Altmaier, Commissioner
Office of Insurance Regulation

By execution hereof, METROPOLITAN LIFE 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.

METROPOLITAN LIFE INSURANCE COMPANY

By: J.E. Trend

[Corporate Seal]

Name: Jonathan E. Trend

(Please type or print)

Title: Vice President & Actuary

Date: 12-29-16

STATE OF New Jersey

COUNTY OF Somerset

The foregoing instrument was acknowledged before me this 29 day of Dec 20 16

by Jonathan E. Trend as an officer

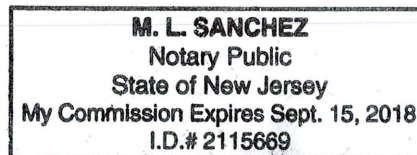
(name of person)

(type of authority e.g. officer, trustee attorney in fact)

for MetLife

(company name)

M. L. Sanchez
(Signature of the Notary)



(Print, Type or Stamp Commissioned Name of Notary)

Personally Known ☒ OR Produced Identification ☐

Type of Identification Produced _____

COPIES FURNISHED TO:

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