

In-Force Rate Action Announcement: Alabama Group Trust Certificates: Pre-PCS (Delaware Certificates)

July 26, 2021

Effective: 7/26/2021

States: DE

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.

Alabama has now allowed the following increase for certificates issued under a group master policy issued in **Delaware**.

Product Series	Increase for Policies with Limited Benefit Periods	Increase for Policies with Lifetime Benefit Periods
Pre-PCS	20.7%	0%

This rate increase was filed and approved in accordance with the laws and regulations of Alabama in which these certificates were issued.

Communications Timeline

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

Agent Notifications* Begin: July 27, 2021
Certificate Holder Notifications Begin: August 3, 2021

*If we have your email address on file, you will receive an agent notification through email stating your list of impacted certificate holders is on Genworth PRO (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: Certificate Holders 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.

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

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Certificate Holder Options

As a reminder, Certificate Holders may have the ability to reduce their benefits in order to help maintain premium at approximate current levels. A certificate holder 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 certificate holders 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 certificate, 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 certificate excluding waived premium, whichever is greater.
- Nonforfeiture Rider: If purchased with the certificate; a paid-up certificate 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 certificate holders 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 certificate notification section of Genworth PRO (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 certificate holder's rate increase notification has been mailed. The mailing date is 68 days prior to the certificate holder's rate action effective date. Once a rate increase has been added to a certificate, any quotes provided prior to the certificate holder's rate increase notification being mailed will not include the new increased premium.

Certificate Holders 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, certificate holders can electronically sign and submit their choice. Certificate Holders can go to genworth.com to register for or log-on to their web account to view their certificate information.

Find premium increase information you can share directly with your clients at genworth.com/LTCpremiums.

Certificate Prefixes

Pre-PCS: AFG, ASG, EFG, ESG, FFG, FSG, GFG, GSG, KFG, KSG, KSN, PAN, KFN, YFN, PFN, PSN, NXN, QFN, IFN, ZFN