



LONG TERM CARE  
INSURANCE

## John Hancock Long Term Care Announces Inforce Rate Action

THE LATEST JOHN HANCOCK NEWS AND IDEAS TO GROW YOUR LTC INSURANCE BUSINESS

This is to inform you that, after a careful and detailed analysis of our inforce block of long term care (LTC) insurance, John Hancock has determined the need to seek a moderate premium rate increase on some older individual policy series (subject to state acceptances). This is the first time since entering the LTC insurance business in 1987 that we have had to seek a premium increase on any John Hancock-issued policies. As a responsible leader in the LTC insurance industry with a commitment to this business for the long term, we have concluded that this action is necessary to ensure that all our policies are priced properly and according to actual experience in order to meet future obligations.

In mid-May 2008, we will begin filing with the states for an average 14% premium rate increase. On average, this will be equivalent to about \$21 in additional premium per month per policyholder, and the resulting premiums will still be less than what customers would pay for a new policy today. (Please note that policyholders whose premiums are currently being waived will be informed, but not affected by the increase while on waiver.)

To accommodate the various needs of those policyholders who will be affected by this change, we will offer several options to reduce benefits in an effort to keep premiums at current levels as an alternative to continuing coverage at the new premium level.

As stated above, we will begin filing the premium increases with most states in mid-May. Policyholders will be informed of their increases following the necessary state review process. We anticipate beginning our notifications to policyholders in August 2008, and will continue throughout the year into 2009. At this time, we recommend that you defer conversations with clients until this summer, when we will be providing you with full details, along with talking points and training tools, on the first state increases that will be implemented.

In the meantime, we have prepared the [2008 LTC Rate Action Information Guide](#), which we hope you will find helpful. It includes:

- a list of policy series affected
- an overview of this rate action
- frequently asked questions (FAQ)
- sample client and producer letters
- a tentative timeline of events and communications throughout 2008–2009

We sincerely thank you for your ongoing support of John Hancock LTC insurance. Please do not hesitate to contact us if you have any questions.