



longtermcare mia -MDInsurance- <longtermcare.mia@maryland.gov>

Policies

chwils1@gmail.com <chwils1@gmail.com>
To: longtermcare.mia@maryland.gov

Wed, Jul 11, 2018 at 1:07 PM

Dear Nancy Muehlberger:

My wife and I each purchased long-term care insurance policies from John Hancock about 17 years ago.

Each policy was for standard minimum care and cost around \$2,500.

This year the same policies have been hiked to nearly \$5,000 each for the same coverage.

We can't keep this up. It's outrageous!

Charles E. Wilson

RE: Mass Mutual's requested Long Term Care insurance rate increases for residents of Maryland

I have specialized in long term care insurance sales for almost 20 years and have represented many carriers offering long term care insurance coverage. My clients have understood the importance of purchasing coverage from a financially strong, stable, diversified company, because the policy is one that gets placed in force and may remain in place for 20 - 25 years, or more, before the benefits are needed. Therefore, I have hundreds of clients who have purchased coverage from Mass Mutual because of their quality product, company's strength, stability, consistent growth, and demonstrated concern for their policyholders and history of consistently "doing the right thing" for the policyholders.

I have reviewed Mass Mutual's Actuarial Memorandum dated June 26, 2018, which is requesting rate increases on long term care policy forms: 200 Series, 300 Series, 400 Series, 500 Series and 511 Series. I am writing because I have concerns regarding the requested rate increases, the options Mass Mutual will be offering to policyholders, and the impact these changes may have on policyholders.

Annually Mass Mutual publishes reports touting their exemplar quality and performance and concern for their policyholders.

In 2017 Mass Mutual published the attached brochure, "**Quality and Performance Matter**". Some highlights are summarized below:

- Who you choose to work with matters.
- Massachusetts Mutual Life Insurance Company is a mutual life insurance company providing long-term value.
- Has paid dividends to participating policyowners every year since 1869.
- Paid \$4.9 billion in insurance and annuity benefits in 2016
- **Ended 2016 with \$675 billion of assets under management.**
- Finished 2016 with a **record level of total adjusted capital** - \$17.3 billion, while surplus totaled \$15.1 billion; **both are key indicators of the company's financial strength.**
- Provided more than **\$20 million in charitable contributions** in 2016,
- Issued more than \$690 million of life insurance coverage since 2002 through MassMutual's LifeBridge **Free** Life Insurance Program

In 2018 Mass Mutual published, also attached, "**Live Mutual**", **2017 Annual and Corporate Responsibility Report**, highlighting continued success:

- "2017 was an outstanding year for MassMutual." (pg. 4)
- On page 2 under "Helping Our Customers Live Mutual" stating, "It's that **long standing financial strength** which also enabled us to announce our **150th consecutive dividend payout in 2018** to all eligible participating policyowners. This **historic estimated \$1.6 billion payout** is backed by our strong fundamentals **and longtime competitive advantage of our diverse portfolio**"

- Under 2017 Performance Review beginning on page 4:
“**Record sales** in life insurance and Institutional sales, a highly diversified investment strategy coupled with strong market performance, and a productive distribution network helped MassMutual protect and grown the assets of the company.”

“**Historically high sales in core businesses outperformed the industry**, a reflection of the company’s attractive portfolio of products and services. Highlights included:

- The twelfth consecutive year of record weighted¹ whole life sales –up 9 percent from 2016 to \$678 million
- **Record sales** from our Institutional businesses, topping \$10 billion in 2017 and up 47 percent over prior year
- Integration of MSI Financial Services, Inc. with MML Investors Services, LLC (MMLIS) put MMLIS among the nation’s largest insurance company-owned broker-dealers
- **Earnings results** were also impressive. **Net gain from operations before policyowner dividends and taxes – the company’s primary earnings measure as a mutual company – was \$1.8 billion, up 18 percent from 2016, driven by double-digit increases in all insurance business lines—life, annuities, disability and long-term care insurance.**
- **Statutory surplus and total adjusted capital – the two key measures of a company’s overall financial strength – both reached record high levels. Surplus grew to \$15.7 billion** while total adjusted capital increased slightly to \$17.4 billion – in spite of the negative impact from tax reform – positioning MassMutual with the financial resources and flexibility needed to manage for optimal long-term results.
- **MassMutual approved an estimated payout of \$1.6 billion in policyowner dividends₂ for 2018, upholding our commitment to operate for the benefit of eligible participating policyowners.**
- **In addition, \$5.1 billion in insurance and annuity benefits were paid in 2017, as we delivered on our purpose to help people secure their future and protect the ones they love.”**

When examining options for long term care insurance coverage with my clients, their financial situation at the time of purchase and the projections of their finances going forward and for their years during retirement are carefully considered – as they should be. Many policyholders, who purchased the earliest policy series’, 18 years ago, have been in retirement for many years and are now well into their late 70’s and 80’s..... just when their need to use benefits will soon be upon them. Hardly the time to ask them to scale back benefits because the premium increases are beyond their budget. With costs of care increasing along with all other expenses, every dollar of LTCi benefit is anticipated as being needed.

As the MIA is aware, we as Financial Service Representatives, are required to complete on-going continuing education. Annual courses educating and reinforcing our understanding of and issues unique to an aging population, from both a planning perspective and those of a physical nature -- recognizing flags of diminished capacity and to prevent exploitation of older adults.

1. *Weighted sales are based on annualized new premium with single premium payments weighted at 10 percent, “Live Mutual”, 2017 Annual and Corporate Responsibility Report*

2. *Dividends are determined annually, subject to change and not guaranteed, “Live Mutual”, 2017 Annual and Corporate Responsibility Report*

***2017 Performance Review information taken from: Quality & Performance Matter – LI76025 7/17 CRN201807-215000

We have and continue to work with pre-retirees who are making financial planning decisions that will impact their lives as they age into what can be their most vulnerable time of life. "Senior" issues have become current top priorities identified by regulators (FINRA, SEC). Training materials indicate that "seniors" are identified as anyone age 60 and older. Implementing premium rate increases at a time when our clients have attained advanced senior ages (70's and 80's), may have diminished capacity – mentally (reduced mental acuity as normal process in aging) and financially – and have potential for tremendous negative impact on their long term financial plan's goal to remain financially independent and have the funds/LTCi benefits, to pay for the cost of care services, is cruel and can be perceived as abusive to seniors.

I have clients who are and have been affected by rate increases from various companies in the industry over the past several years. I have spent many hours counseling clients and policyholders impacted by premium increases. Each policyholders' financial circumstances are different – we are not having discussions of National Average Loss Ratios, National Claims Statistics or the millions of annualized premiums the companies foresee as being insufficient. Our conversations focus on their current financial and health situations, announced increases to premiums – which will be due in 60 to 90 days, and guiding them in preserving their Long Term Care insurance benefit. I have closely followed the MIA's Public Hearings, which have been informative and greatly appreciated. Please do not misinterpret a lack of high-profile public outcry to the industry's ongoing rate increases as policyholder acceptance. I have observed, across the board, some policyholders are able to handle rate increases better than others; however, all premium paying policyholders have their limits. Maryland consumers depend upon the MIA to "draw some lines in the sand", to develop and enforce guidelines, to protect them.

Uniform rate increases across each policy series have varying levels of impact on the policyholders.

Mass Mutual's Actuarial commentary on page one of their memorandum, under "Requested Rate Increase" stating "the company is requesting a premium rate increase to achieve a rate level consistent with that on its currently marketed 513 Series new business product..... This rate increase is then capped on a seriatim basis such that no insured will receive a rate increase in excess of 100%. The company is seeking this rate increase request to help alleviate the adverse performance on this business."is hardly reassuring to policyholders who will struggle to handle a single 15% increase. The many pages of actuarial data do not include any information on how the LTCi Buyer Profile and product affordability has changed over the past 18 years. Like the rest of the country, Marylanders have been living longer, spending more years in retirement, and experiencing the increasing costs of living at a time in their lives when they are not able to create additional income. They cannot afford the risk associated with being more aggressive with their principal investments that currently provide their income. Mass Mutual did not enter the Long-Term Care insurance marketplace as early as many other companies and had opportunity to understand and learn from others' experience. I believe Mass Mutual has managed their Long-Term Care Insurance segment carefully and conservatively, as they have historically done with all of business. Businesses need to be able to weather the storm of their business decisions and not look to their policyholders to alleviate the adverse performance on this business.

Mass Mutual, an industry leader, which is financially strong, stable, and a diversified growing entity should lead the way in the industry and find a way to absorb some of the need for increases that they are requesting to pass on to individuals and aging policyholders.

In consideration of concerns regarding the impact of requested rate increases, I offer the following recommendations:

1. Exclude policyholders age 75 and older from these increases. (Precedent has been set by other carriers).
2. Continue the 15% limit in Maryland, on rate increases in any one year. Pursuant to COMAR 31.14.01.04.
3. Once a rate increase has been granted, no additional rate increases shall be implemented for a period of 5 years, for Mass Mutual and all carriers going forward. (Keep in mind, Mass Mutual's Actuarial Memorandum indicates their Average Purchasing Age across all policy series has been 56. Therefore, the majority of their LTCi policyholders have already reached "senior" ages.
4. Going forward, once a policyholder has held a policy for 10 years or more and has reached age 75, there should be no further rate increases.
5. Require Mass Mutual to provide sufficient benefit change options to impacted policyholders so that the policyholders have tools available to control premium while maintaining the most value of their accrued benefit.
 - Please understand that exercising any non-forfeiture option available would ultimately provide the policyholder with a minimal amount of Long Term Care insurance benefit compared to the amount of benefit they anticipated having available.
 - For Partnership Qualified policies, which became available for sale in Maryland in 2008, require options allowing inflation protection adjustments that would be compliant with Maryland's LTC Partnership Program, in the event of an inforce premium rate increase.
 - For policies containing 5% Simple Inflation Protection, require options for policyholders to reduce the rate of inflation protection growth (i.e. 1% simple; 2% simple; 3% simple), starting with the attained benefit amount reached by the policy.

Respectfully submitted,

Karen Kurland, MBA, CLTC, LTCP

Member of the LTCi Mid-Atlantic Roundtable since 1999

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Hunt Valley, MD 21031

(410) 484-6282

Karen@KurlandFinancial.com

DEAR MS.MUEHLBERGER,
I AM VEHEMENTLY OPPOSED TO LTCI RATE INCREASES
REQUESTED BY JOHN HANCOCK INS. CO.
I SIGNED UP FOR THIS POLICY IN THE YEAR 2000
I HAVE PAID 15% INCREASES PER YEAR FOR EACH THREE
YEAR PERIOD.
TO REDUCE OPTIONS ,TO LOWER COSTS IS NOT
ADVANTAGOUS TO ME AS I CHOSE THIS PLAN IN
ANTICIPATION OF MY FUTURE NEEDS.THIS HAS NOT
CHANGED FOR ME.
INCREASING RATES IN MY LTCI POLICY IS A FINANCIAL
BURDEN.
I SINCERELY HOPE MIA WILL DENY THE CONTINUAL RATE
INCREASES JOHN HANCOCK DESIRES
I APPRECIATE YOUR ATTENTION TO THIS MATTER ON
MY BEHALF.DOLORES FASH.

Sent from my iPad

Testimony MIA August 20, 2018 – Ed Hutman

My name is Ed Hutman-I am an insurance agent. I have focused only on long term care insurance since 1991. I have well over 1000 Maryland clients, many of whom will be affected by the outcome of today's hearing. My wife and I are the owners of two long term care policies, one purchased from C N A in 1991 and a Genworth policy purchased in 2001. Since I last testified at an MIA hearing in April of 2016 some things have changed for the better but unfortunately some have not.

I applaud the steps the MIA has taken to increase transparency through your statewide meetings and the information provided on the MIA website. Both have helped the consumer gain a better understanding of what is happening to their policies, when MIA approved rate increases will occur, and for those who have the background and who can understand the filings, the companies' perspective of why they think an increase in premiums is warranted. I am happy for the transparency, but the unaddressed question remains: Why should poor performance numbers, in large part caused by insurance company business errors made years ago, be a policyholder problem? This is the elephant in the room.

I assume that the data provided by the companies in their rate increase request filings are correct. If past history is any indicator, the MIA will look at the numbers and after careful evaluation, if the numbers meet MIA requirements, the rate increases will be approved.

But what if the premise underlying these numbers is false? What if the numbers are misleading? How are adjustments for business errors reflected in the numbers presented in the filings?

When one of the two parties to an agreement make a business mistake which one should suffer the consequences of that mistake? It appears the answer continues to be the Maryland consumer.

How are the insurance companies held to account?

In the process used by MIA to determine whether rate increases should be granted, how are the companies held to account for the poor business decisions they made? What metric does the MIA take into consideration in weighing the extent to which underperformance of these policies is caused by business mistakes made by the insurance companies many years ago?

- How are the companies held to account for the errors they made in establishing overly aggressive or inadequate underwriting standards and pricing for the long term care policies they sold?
- How are the companies held to account for the considerable morbidity assumption errors they made?

- How are the companies held to account for the true but misleading statements made in the consumer brochures they provided that induced the Maryland consumer to purchase their long term care insurance policies?

Each of us in this room are consumers. What if you were purchasing a long term care insurance policy in 2001 and the inside cover of the Genworth policy brochure stated: While GE's Long Term Care Division reserves the right to raise future premiums for all policyholders by state and class, it has never had to do so since it pioneered long term care insurance more than 25 years ago. And your premiums will never increase due to changes in your health status or your age."

Or if you look at a second carrier and the first statement in the brochure was: "John Hancock – a name you can trust;" "rely on us your partner in care" Turn to a leader in long-term care insurance. When it comes to long-term care insurance, you want to be sure that the company behind your policy is in it for the long term. Established 140 years ago, John Hancock is a pioneer in the long term care insurance field, issuing our first policy in 1987. Today we serve more than 300,000 long-term care insurance policyholders.

Or do you look at Mass Mutual who touts its financial strength and states it has paid dividends to participating policyowners every year since 1869, yet is requesting a rate increase today.

What are you, the Maryland consumer, to infer from these representations? Wouldn't you reasonably assume that these companies with so much financial strength and experience knew what they were doing and had priced their policies based on that knowledge and experience?

I have an 86 year old and 80 year old couple who have seen their premiums almost double as a result of the 5 rate increases that have been granted by the MIA since 2008. They made carefully considered planning decisions based on the reasonable expectation that the insurance company knew what it was doing, after all, in the policy brochure it said the company had never had a rate increase. They have paid \$98,000 in premiums to date. They will continue to pay the premium increases because they feel they have no other viable option. They don't want to reduce their coverage because they see friends and family contemporaries needing care as they age.

However, as these increases have continued I see more and more of my clients compromise their original intent when they purchased this important coverage by reducing their benefits or in some cases lapsing their policies because the premiums had become too high. Non-forfeiture benefits provide at best a few months of coverage. The decisions they have been forced to make because of their financial circumstance will leave them with greatly reduced benefits at the time they need care. When they ask me "when can I expect these rate increases to stop?" all I can tell them is I don't know, and that the MIA is limited in what it can do when an insurance carrier requests a rate increase and that they should expect the rate increases to continue.

We all look to the MIA not only to review carefully all rate increase requests but to protect the consumer by giving appropriate pushback to these requests. It's up to the MIA to help build on the transparency steps that have already been made by taking the additional steps necessary to create the stable environment necessary to rebuild consumer confidence in this important coverage. It's time to put an end to seemingly endless rate increases which not only hurt the consumer but the State of Maryland as well because of the additional burden that will be placed on Medicaid. Its time for the companies to accept responsibility for their significant mistakes and stop knocking on MIA's door asking for relief from a situation that they created.

From the MIA website: "The agency's goal is to provide efficient, effective service to both the consumers of insurance products and the insurance industry. The Maryland Insurance Administration best serves its core constituents by assuring fair treatment of consumers"

By what measure can these constant increases be considered fair?

If the problem is that the MIA believes the law limits its efforts on behalf of the Maryland consumer then let us know what legislation needs to be enacted to untie your hands?

If the MIA believes that based on current law that it must continue to permit these rate increases, I echo my colleague Karen Kurland's written testimony in suggesting that the following steps, at a minimum, be taken to create the fair environment for the consumer mentioned as MIA's goal.

1. Exclude policyholders age 75 and older from these increases. (Precedent has been set by other carriers).
2. Continue the 15% limit in Maryland, on rate increases in any one year. Pursuant to COMAR 31.14.01.04.
3. Once a rate increase has been granted, no additional rate increases shall be implemented for a period of 5 years.
4. Going forward, once a policy holder has held a policy for 10 years or more and has reached age 75, there should be no further rate increases.

I know that we all want to provide Maryland consumers with a fair insurance environment so the important financial decisions made are based on reasonable expectations of premium costs as well as policy performance. Transparency is a good first step. Fair accountability is the second.

Respectfully submitted

Edward S. Hutman CLTC, LTCP
Member of the Mid-Atlantic LTCI Roundtable

Rockville MD 20853

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Maryland

LONG-TERM CARE INSURANCE

handle your dreams with care.

John Hancock

LTC-1700MD 4/02

John Hancock — a name you can trust

rely on us — your partner in care

From the moment you take ownership of a John Hancock long-term care insurance policy, you gain a partner in care. Even before you need to access benefits, your policy enables you to get advice on care and helps you develop a plan of care. Later, when you begin to require long-term care services, you will be assigned a dedicated benefits specialist to assist you and your family with questions. This individual becomes your partner in care who will help guide you through the process, and will be there for you and your family.

turn to a leader in long-term care insurance

When it comes to long-term care insurance, you want to be sure that the company behind your policy is in it for the long term. Established 140 years ago, John Hancock is a pioneer in the long-term care insurance field, issuing our first policy in 1987. Today, we serve more than 300,000 long-term care insurance policyholders.

Along with our subsidiaries, we have more than \$124 billion in assets under management as of December 31, 2001, making us one of the country's largest and most respected insurance providers. With our tradition of financial stability and product innovation, we have the expertise, products, and services to help meet your needs.

John Hancock is among the highest-rated insurance companies for financial strength and stability. Take a look at our outstanding ratings as judged by the major rating agencies.¹

A.M. Best	A++ (Superior)
Fitch	AAA (Highest)
Moody's	Aa2 (Excellent)
Standard & Poor's	AA+ (Very Strong)

When you purchase a John Hancock long-term care insurance policy, you can count on us to make your needs our priority. And you can rest assured that you've chosen a company that has made a long-term commitment to long-term care insurance.

1. These ratings are current as of February 2002. Ratings refer only to the overall financial status of the company, and are not a recommendation of the specific policy provisions, rates, or practices of the insurer. Ratings do not pertain to investment portfolios.



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We bring good things to life.

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GE Capital Assurance. Protecting tomorrow's independence today.

- We are the leader in long term care insurance.
- We are a member of the General Electric family of companies.
- Our Long Term Care Division helped pioneer the long term care insurance industry in 1974.
- We have over \$9 billion in assets and over \$2 billion in surplus.*
- Our ratings are outstanding:

A + (Superior) from A.M. Best

AA (Excellent) from Standard & Poor's

AA (Very High) from Duff & Phelps

Ratings are based on analyses of financial condition and operating performance.

- We have paid over \$375 million in claims.*
- We are proud of our long history of premium stability.
- Our portfolio of tax-qualified plans offers comprehensive benefits.
- Over 100 major organizations endorse our plans.



GE Capital Assurance

We bring good things to life.

A GE Financial Assurance company

*As of 9/97.

GE Long Term Care ChoiceSM

*Underwritten by
General Electric Capital Assurance Company*



Long Term Care Insurance

We bring good things to life.

85267
Maryland

*GE Capital Assurance –
you can depend on us.*

When you need long term care, it's already a crisis situation. So look for a policy that works for you and a company that has the expertise and experience to provide dependable, trustworthy assistance. A company like GE Capital Assurance.

We're proud to say that we have some of the most knowledgeable professionals, comprehensive coverage and superior products in the business. With GE Long Term Care Choice, you can be sure you'll have the right coverage for your means, your lifestyle and your needs.

Our current ratings are outstanding:

- ▶ A.M. Best A+ (Superior)*
Financial Strength and
Operating Performance
(2nd highest of 16 ratings)
- ▶ Standard & Poor's AA
(Very Strong)* Claims
Paying Ability
(3rd highest of 21 ratings)
- ▶ Moody's Aa2 (Excellent)*
Financial Strength
(3rd highest of 21 ratings)

While GE's Long Term Care Division reserves the right to raise future premiums for all policyholders by state and class, it has never had to do so since it pioneered long term care insurance more than 25 years ago. And, your premiums will never increase due to changes in your health status or your age.

* As of October 1, 2001



longtermcare mia -MDInsurance- <longtermcare.mia@maryland.gov>

RSVP and Policy Provision

Jeff LeVine <jefflevine45@gmail.com>
To: longtermcare.mia@maryland.gov
Cc: jonilevine@gmail.com

Tue, Aug 14, 2018 at 3:26 PM

Hi Nancy,


I have sent a previous RSVP with comments. I spent 5 decades in the health insurance industry, so here I am fearful that a death spiral has begun (or is well underway). Maryland has limited the "needed" increases of my Carrier - John Hancock, but hopefully, this hearing give us a firm view of what is down the road - short and intermediate term. Questions from me:

1. If a Carrier withdraws from the Program, will the State take over the liability? If so, will it deficit finance the Program, or can we expect the rate increase limitations will be gone or much less stringent under a State administration?
2. I request that the Carriers be asked/demanded to reflect the financial condition of LTC nationally.
3. My wife and I bough our policies in 1999. If we "quit" the Program, and otherwise invest future monies in other potential solutions if needed, I request the state have Carriers make retroactive the article which allows reimbursement of historical premium if benefits have not been used.

Please let this serve as a reminder of my RSVP (by phone), and allow others in my community listen in with RSVPs in the next few days.

Thank you again for having this hearing, which I trust will be meaningful.

Sincerely,

Jeff LeVine




longtermcare mia -MDInsurance- <longtermcare.mia@maryland.gov>

RSVP Long Term Care Hearing

Jeff LeVine <jefflevine45@gmail.com>
To: longtermcare.mia@maryland.gov

Wed, Jul 18, 2018 at 3:08 PM

Thank you for the invitation to this August 20 meeting. I will be pleased to attend, but am likely to want to do so via streaming access, since I live near the Delaware shore, about 2 1/2 hrs. from the meeting site.

I spent more than 50 years in the health insurance carrier world, as an underwriter, then marketing Director for Aetna and UnitedHealthcare, and their affiliated companies. I know a potential death spiral when I see one. I, and countless others are now "trapped" into a false sense of security under LTC Plans that are, or are rapidly building toward, untenable underfunding. I have spoken in some detail with others in the MIA, and appreciate the help they have given in uncovering some of the facts.

My first request for this meeting is to include discussion, in plain language, of the actuarial prospects for the longevity of the Programs at near the current benefit levels for which we have contracted; i.e, how long the State can "hold off" unaffordable increases, or unacceptable benefit reductions. The public has invested significant money to bring dignity to their lives in the event they encounter certain conditions; in many cases, this is in lieu of, establishing Trusts that protect a good deal of their retirement assets from the need to use that for conditions they thought the LTC would cover.

There is much more, but the bottom line is that we should not suffer because the Insurance Companies were either stupid or greedy in not combining the sale of LTC with Life policies. If they did, they would at least have revenue to help pay the LTC claims as the LTC claimant lived through their condition. So, how soon does this all come to a head, what differences exist among the Carriers, limits that will continue to be placed on Carriers, and penalties for non-compliance, and when, and to what extent, would the State intervene We need to know every risk that now exists, and how they will be handled. We also need the State to press the Carriers for more liberal alternatives for policyholders who cancel due to rising premiums, and want a funded benefit, or premium refund.

Thank you for the opportunity to participate.

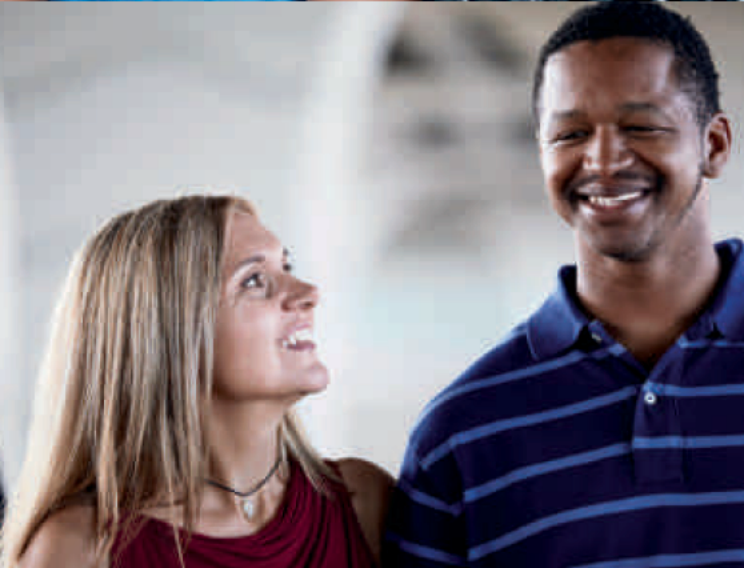
Jeff LeVine

[REDACTED]
Millsboro, DE 19966
[REDACTED]

Live Mutual

2017 Annual and Corporate Responsibility Report





We live in divided times.

But when we look around us, it's easy to see people who **Live Mutual**, and do extraordinary things for each other.

Proving a concept at the core of the MassMutual brand:

That interdependence is more powerful than independence. Because together, we can do more good than any of us can alone.

We see this every day in unsung heroes who reach out to make a difference in each other's lives. These uplifting stories fuel our passion to do more – for policyowners, for our fellow employees, and for the communities we call home.

In this year's report, we spotlight the MassMutual people who are raising the bar for interdependence. Mentoring colleagues, educating our youth, reaching out to the underserved, and demonstrating the power of **Live Mutual**.

Dear Fellow Policyowners and Customers,

From the time we issued our first policy in 1851, MassMutual's work has been grounded in a promise: *You can count on us at the most important moments of your life.*



That's what mutuality is all about. It's not only how we run our business – operating for the benefit of our members and policyowners – it's also a way of living in which we can depend on each other. We recognize that we can achieve so much more together than alone.

Given the events of last year, it's a principle that remains especially relevant. Yes, the markets performed strongly, reflecting an improving and optimistic global economy. Yet it was a tumultuous year, marked by political instability at home and abroad, the growing threat of terrorism and war, and, sadly, horrible acts of hatred and intolerance that have no place in this world.

In these times of division and uncertainty, people value moments of mutuality more than ever. Because when we [Live Mutual](#), we rely on each other, find strength in each other, and ultimately, build a better future together.

Helping Our Customers Live Mutual

In that spirit, we're proud of the progress we made in 2017 with helping more people plan for life's most important moments.

As always, our biggest priority is helping a greater number of people. Last year, we once again posted record sales of life insurance, outpacing the industry and increasing the amount of coverage we provide to nearly \$670 billion. We served more than half a million new customers in our Workplace and Institutional

businesses, helping to grow their retirement savings, deliver their pension payments, and provide protection for their families. We earned their trust and confidence by strengthening our excellent financial foundation, as we ended 2017 with \$17.4 billion in total adjusted capital, the most in our history, and maintained among the highest ratings of any company in any industry.¹

It's that long-standing financial strength which also enabled us to announce our 150th consecutive dividend payout in 2018 to all eligible participating policyowners.² This historic estimated \$1.6 billion payout is backed by our strong fundamentals and longtime competitive advantage of our diverse portfolio of domestic and international insurance, Workplace and Institutional businesses, as well as our global asset management firms, OppenheimerFunds Inc. and Barings. Together, our combined businesses managed more than \$770 billion in assets last year, a new record.

To maintain that foundation so many depend on, we continued to evolve so we can capitalize on new opportunities and create even more value for our policyowners. For instance, last year we announced our plan to sell our Hong Kong-based subsidiary, MassMutual Asia, to Yunfeng Financial Group and several Asia-based investors. Once closed, this transaction will provide an outstanding immediate return, long-term value through an ongoing ownership interest in the new combined entity, and innovative opportunities both at home and abroad.

All of these efforts support our ability to deliver on our commitments to you. In fact, last year, we delivered more than \$5 billion in benefits, with each dollar helping our policyowners and customers live a better life.

Still, with the progress we've made, there is much more to do given the vast number of financially underprepared in our country. For too many, financial security is becoming increasingly out of reach, and our strategy is built around developing a lasting solution to this enduring problem.

In these times of division and uncertainty, people value moments of mutuality more than ever. Because when we [Live Mutual](#), we rely on each other, find strength in each other, and ultimately, build a better future together.

First, it starts with our people. We spent every day of 2017 helping our customers at all stages of life, whether it was an advisor counseling a business owner on a succession plan, a retirement education specialist showing a worker how to save more each month, or a customer

Benefits to
our customers



Total adjusted
capital



Consecutive dividend
payout in 2018



service representative ensuring a disability income check got to a claimant on time. While each situation is different, the experience is the same: a personal connection you can rely on to help navigate your biggest financial challenges.

At the same time, we know that in today's world, many of our daily interactions are digital in nature. So whether you want to work with us in person, on your tablet, or both, our goal is to make the experience simple and seamless. That's why we also spent 2017 enhancing and expanding the ways we serve you – anytime, anywhere – so we can best meet your needs on your terms.

We refreshed our brand, celebrating interdependence and reflecting the values that have long guided us, while also launching a new massmutual.com, where you can find an advisor near you, buy life insurance directly, or actively manage your portfolio. We also continued to use data to drive better outcomes – from expanding our use of algorithms to provide protection in a fraction of the time, to giving workers the ability to track and improve their retirement readiness right from their phones.

At the heart of these solutions is our dedicated and talented team of colleagues. Their innovative spirit and tireless efforts continue to earn us recognition across a broad range of areas, including operational excellence from the Shingo Institute, diversity and inclusion from the Human Rights Campaign, and ethics and integrity from the Ethisphere Institute.

And finally, our passion for making life better for our customers extends to our communities. In its first full year in 2017, the MassMutual Foundation broadened economic opportunities for youths and their families, including the expansion of our FutureSmart digital curriculum, which has provided financial and life lessons to nearly a million students. In addition, last year marked the 15th anniversary of our LifeBridge program, which has provided nearly \$700 million in free life insurance³ to thousands of families across the country.

Depending On Each Other

Like so much of what we do, all of these initiatives are centered on the notion that we're always stronger

when we recognize our responsibilities to each other – and work to improve the lives of those around us. That's exactly what we've done for the past century and a half, as we've helped generations of people secure their future and protect the ones they love.

I'm proud of that purpose, proud of our accomplishments in 2017, and most of all, proud to be part of the MassMutual community with each of you. Together, we can build a future that brings us closer. That shows us we don't have to go it alone. That makes life better for all of us.

That's what it means to [Live Mutual](#). We look forward to working with you this year – and every year – to make that vision a reality.

Sincerely,

Roger W. Crandall
Chairman, President & Chief Executive Officer

¹ Financial strength ratings are for Massachusetts Mutual Life Insurance Company (MassMutual) and its U.S.-domiciled life insurance subsidiaries, C.M. Life Insurance Company and MML Bay State Life Insurance Company, as follows: A.M. Best Company, A++ (Superior); Fitch Ratings, AA+ (Very Strong); Moody's Investors Service, Aa2 (Excellent); and Standard & Poor's, AA+ (Very Strong). Ratings are as of 3/1/18 and are subject to change.

² Dividends are determined annually, subject to change and not guaranteed.

³ MassMutual pays the premiums.

Performance

12th

consecutive year
of record-breaking
whole life sales

\$5.1B paid in insurance
and annuity
benefits

Performance Review

2017 was an outstanding year for MassMutual. Record sales in life insurance and Institutional sales, a highly diversified investment strategy coupled with strong market performance, and a productive distribution network helped MassMutual protect and grow the assets of the company.

Historically high sales in core businesses outperformed the industry, a reflection of the company's attractive portfolio of products and services. Highlights included:

- The twelfth consecutive year of record weighted¹ whole life sales – up 9 percent from 2016 to \$678 million
- Record sales from our Institutional businesses, topping \$10 billion in 2017 and up 47 percent over prior year
- Integration of MSI Financial Services, Inc. with MML Investors Services, LLC (MMLIS) put MMLIS among the nation's largest insurance company-owned broker-dealers

Earnings results were also impressive. Net gain from operations before policyowner dividends and taxes – the company's primary earnings measure as a mutual company – was \$1.8 billion, up 18 percent from 2016, driven by double-digit increases in all insurance business lines – life, annuities, disability and long-term care insurance.

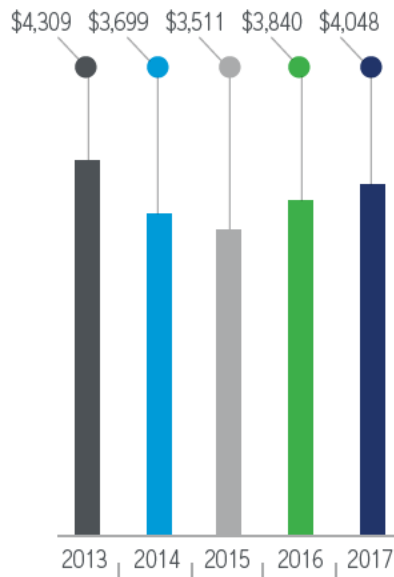
Statutory surplus and total adjusted capital – the two key measures of a company's overall financial strength – both reached record high levels. Surplus grew to \$15.7 billion while total adjusted capital increased slightly to \$17.4 billion – in spite of the negative impact from tax reform – positioning MassMutual with the financial resources and flexibility needed to manage for optimal long-term results.

MassMutual approved an estimated payout of \$1.6 billion in policyowner dividends² for 2018, upholding our commitment to operate for the benefit of eligible participating policyowners. In addition, \$5.1 billion in insurance and annuity benefits were paid in 2017, as we delivered on our purpose to help people secure their future and protect the ones they love.

¹ Weighted sales are based on annualized new premium with single premium payments weighted at 10 percent.

² Dividends are determined annually, subject to change and not guaranteed.

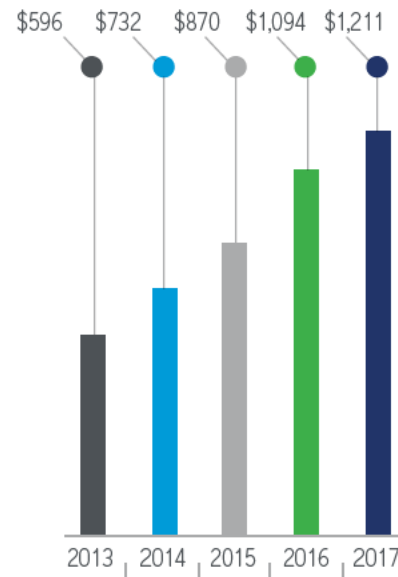
U.S. Insurance Sales (In Millions)



MassMutual insurance sales included record-breaking contributions from whole life as well as continued growth in all other products. Our product offering reflects a focus on prudent risk management and creating long-term value for our policyowners.

U.S. Insurance sales include life insurance, disability income insurance, long-term care insurance, and annuities.

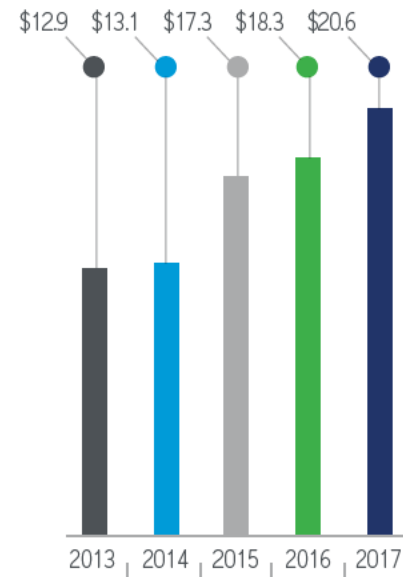
U.S. Whole Life Sales (In Millions)



MassMutual achieved a record high in whole life sales for the twelfth consecutive year. The whole life product suite is designed with flexibility to meet market needs and create long-term value for our participating policyowners.

These consolidated results of Massachusetts Mutual Life Insurance Company also include its U.S.-domiciled, wholly owned subsidiaries: MML Bay State Life Insurance Company and C.M. Life Insurance Company. Prior year results have been restated to include additional products.

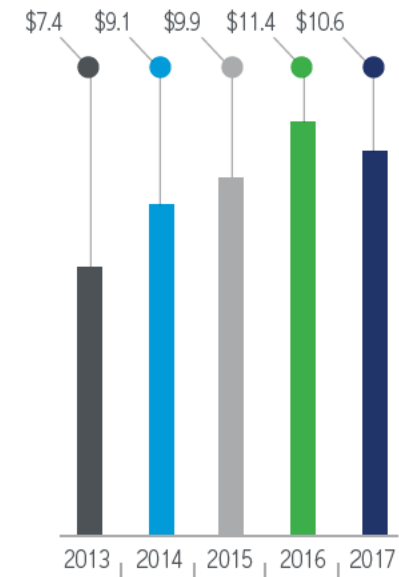
Workplace & Institutional Sales (In Billions)



Workplace and Institutional businesses continue to generate significant sales growth, with strong results across a broad product line and over \$20 billion of combined sales in 2017. Executive Benefits product sales topped \$1 billion for the fifth consecutive year.

Workplace sales include defined contribution plans in addition to disability and life insurance products sold at the workplace. Institutional sales include defined benefit plans, bank-owned life insurance, investment-only and pension buyout solutions, and funding agreements.

Retirement Plan Sales (In Billions)



Retirement Plan sales remain strong, averaging \$10 billion in sales annually in recent years. MassMutual currently serves roughly 2.6 million participants in over 30,000 plans.

Forward-Looking Risk Management

MassMutual's strong risk management process provides a disciplined and forward-looking enterprise-wide approach, ensuring risk views are included in key strategic and operational decisions. We take a broad and multifaceted approach to identifying risk by analyzing trends in the business environment, evaluating key risk metrics, and assessing the capabilities and risks of key competitors. This allows us to identify possible risk events, prioritize them, and proactively prepare and manage for their possible occurrence – all to help protect the financial interests of our policyowners.

\$10B

Record sales from Institutional businesses

Performance Summary

Capitalizing on strong operating fundamentals, prudent risk management and a disciplined investment strategy, MassMutual's 2017 results reflect continued growth in assets and capital.

Summary of Financial Position

(Consolidated statutory basis, in millions)

As of December 31:	2017	2016
Short-term investments and cash	\$ 3,939	\$ 3,950
Bonds	94,870	88,208
Other invested assets	70,366	67,965
Total invested assets	\$ 169,175	\$ 160,123
Other assets	7,095	6,681
Separate account assets	75,505	68,234
Total assets	\$ 251,775	\$ 235,038
Policyowners' reserves	\$ 133,547	\$ 128,425
Policyowners' dividends	1,601	1,609
Other liabilities	22,109	18,092
Asset valuation reserve	3,308	3,264
Separate account liabilities	75,505	68,225
Total liabilities	\$ 236,070	\$ 219,615
Surplus	15,705	15,423
Total liabilities and surplus	\$ 251,775	\$ 235,038

Summary of Operations

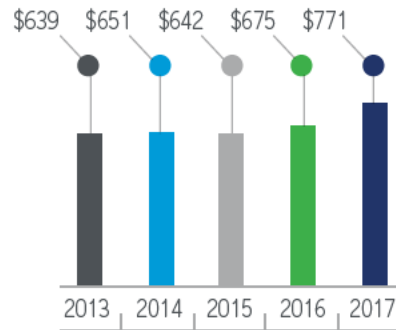
(Consolidated statutory basis, in millions)

As of December 31:	2017	2016
Premium income	\$ 17,762	\$ 21,246
Net investment income	6,866	6,660
Fees and other income	1,485	1,654
Total revenue	\$ 26,113	\$ 29,560
Policyowners' benefits	\$ 20,646	\$ 19,118
Change in policyowners' reserves	(337)	5,335
Commissions and other expenses	3,957	3,536
Total benefits and expenses	\$ 24,266	\$ 27,989
Net gain from operations before dividends and taxes	\$ 1,847	\$ 1,571
Dividends to policyowners	1,569	1,566
Net gain from operations before taxes	\$ 278	\$ 5
Federal income tax expense (benefit)	(290)	(277)
Net gain from operations	\$ 568	\$ 282
Net realized capital gains	(431)	(212)
Net income	\$ 137	\$ 70



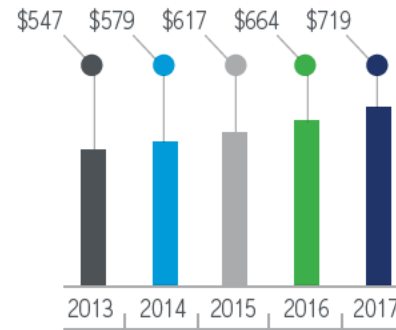
Enterprise Measures

Assets Under Management¹ (In Billions)



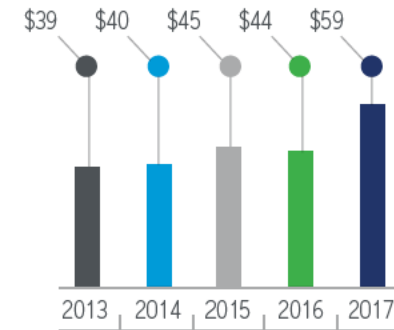
The financial assets managed by MassMutual and its subsidiaries grew to a record \$771 billion in 2017, reflecting significant growth in assets under management across MassMutual's domestic and international life company businesses, as well as its asset management subsidiaries.

Worldwide Insurance in Force (In Billions)



Worldwide insurance in force, or the amount of protection the company has issued and outstanding, grew by over 8%. Growth was driven by strong sales, particularly of whole life in the U.S., and is indicative of an attractive product portfolio.

Premium & Other Deposits (In Billions)

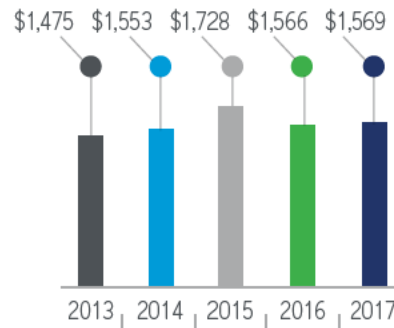


Results in 2017 were driven by growth across our varied businesses, including domestic life insurance, our Institutional offerings, and the asset management companies, partially offset by lower year-over-year volumes in retirement plans.

¹ Assets under management include assets and certain external investment funds managed by MassMutual subsidiaries including OppenheimerFunds, Inc. and Barings.

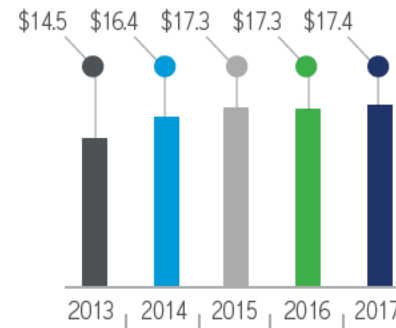
Consolidated Statutory Results²

Dividends to Policyowners³ (In Millions)



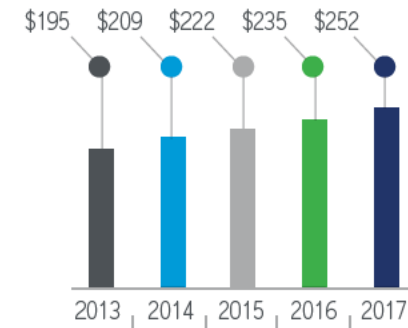
Our 2017 dividends to policyowners exceeded \$1.5 billion for the fourth year in a row, affirming MassMutual's dedication to paying one of the highest dividends in the industry while maintaining financial strength.

Total Adjusted Capital (In Billions)



Total adjusted capital remained exceptionally strong, growing to a record \$17.4 billion, reflecting strong operating results and prudent capital management. This level of capital strengthens our financial foundation, providing flexibility and the ability to manage for optimal long-term results.

Life Company Assets (In Billions)



Life company assets reached an all-time high of \$252 billion, reflecting annual growth of 7%. Steady growth in recent years is an indication of our policyowners and customers recognizing the value of doing business with a mutual company.

² These are consolidated statutory results of Massachusetts Mutual Life Insurance Company and its U.S.-domiciled life insurance subsidiaries: C.M. Life Insurance Company and MML Bay State Life Insurance Company.

³ Dividends are determined annually, subject to change and not guaranteed.

For more information, visit MassMutual.com/Financials.

Investment

Philosophy and Strategy

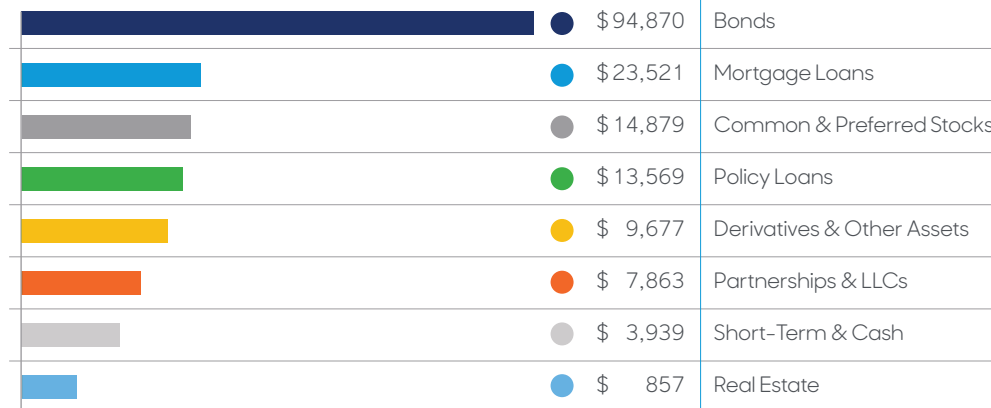
We believe that the best way to help ensure that we'll be there for policyowners and their loved ones is through the consistent application of a long-standing investment philosophy. Our goal is to generate competitive long-term results for policyowners, while preserving the ability to withstand downturns in financial markets. We extend this approach through the way we manage

our General Investment Account (GIA), which comprises the assets we use to meet our obligations to our policyowners. Our focus on long-term, risk-adjusted returns and the consistent application of our investment strategy has resulted in a portfolio that has performed well in the past and is positioned to do so in the future.

Total Invested Assets

December 31, 2017 (In Millions)

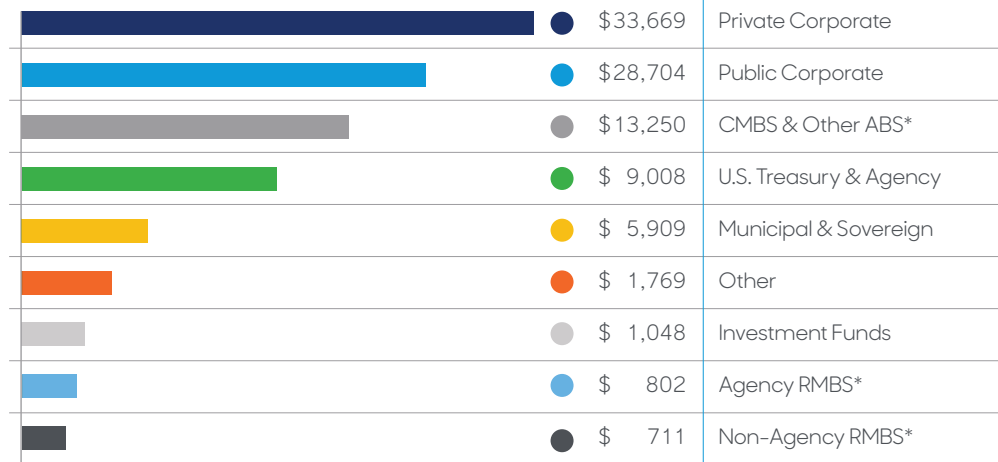
\$169,175



Bonds

December 31, 2017 (In Millions)

\$94,870



Policy loans are loans taken by policyowners against the cash surrender value of their policies and, as such, are secured by the cash surrender value of those policies.

**Residential mortgage-backed securities (RMBS), commercial mortgage-backed securities (CMBS), and asset-backed securities (ABS)*

Diversification

We diversify the composition of the GIA by investing in a variety of asset classes in order to reduce the impact of negative events on our portfolio. MassMutual further diversifies by investing in strategic operating businesses, such as OppenheimerFunds, Inc.; Barings; and MassMutual International LLC.

Prudent Security Selection

Our investment professionals conduct regular, thorough reviews of both current and potential holdings to ensure that they meet our criteria for inclusion in the GIA.

Relative Value

A relative value assessment of risk versus return informs our decision-making process as we consider various opportunities and their prospective impacts on GIA performance.

Why MassMutual

Policyowners & Retirement Plans

Policyowners pay insurance premiums that MassMutual uses to:

- Cover the expenses of providing protection
- Meet current benefit obligations
- Invest to pay future benefits and generate future value

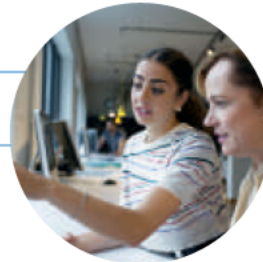
Retirement plan contributions are invested through MassMutual to help secure future retirements.



Diversified Investment Strategy

Through a disciplined investment process that supports long-term investment performance and prudent risk diversification, MassMutual invests in:

- A variety of asset classes to help meet policyowner commitments
- Strategic operating businesses that capitalize on core capabilities while generating complementary returns



Financial Strength & Dividends

Our earnings help:

- Pay dividends to eligible participating policyowners
- Contribute to capital and surplus
- Support business reinvestment
(Dividends are not guaranteed.)



The Result

A framework focused on delivering:

- Competitive risk-adjusted returns
- Diversified product offerings
- Among the industry leaders in financial strength
- High dividends
- Quality service



- Mutual form of ownership
- Portfolio of protection and retirement products
- Strategic operating businesses
- Strong network of skilled financial professionals
- Diversified investment strategy
- Disciplined enterprise risk management

About MassMutual

MassMutual is a leading mutual life insurance company that is run for the benefit of its members and participating policyowners. MassMutual offers a wide range of financial products and services, including life insurance, disability income insurance, long-term care insurance, annuities, retirement plans and other employee benefits. For more information, visit www.massmutual.com.

Asset Management Affiliates



BARINGS

Policyowners



A Legacy of Helping Others

Detroit, February 1933. It was the height of the Great Depression and banks were shut. That month, temperatures dropped to 13 below and people ran out of coal to heat schools, hospitals, orphanages, and homes. A MassMutual customer, who was a coal dealer, visited the MassMutual agency to ask for a loan to release a shipment of coal from the railroads, borrowing against his life insurance policy. The agency

The agency didn't have enough cash on hand, but called the MassMutual home office, three central banks, and a local branch to get the policyowner the money he needed to keep people warm.



didn't have enough cash on hand, but called the MassMutual home office, three central banks, and a local branch to get the policyowner the money he needed to keep people warm. Today, our financial professionals remain a trusted resource in the face of life's challenges, from processing a claim when a loved one passes away to making plans for retirement.

Policyowners

2017 Customer Initiatives

When we expand our services, we become better able to help people protect the ones they love. MassMutual is investing in new tools powered by data to help us better know – and better serve – our policyowners.



LifeBridge has issued more than
\$695 million
in free coverage

Deepening Our Understanding of Americans Everywhere

Understanding policyowners' needs and priorities allows us to better help them reach their goals. MassMutual commissioned the College Planning & Saving Study to learn how families think about budgeting for college. The study surveyed parents and guardians and examined how people from different ethnic groups think and act when it comes to financial planning. With this information, our advisors can better connect with families from all backgrounds and help them achieve their financial and educational dreams.

The College Planning & Saving Study adds to MassMutual's growing picture of American attitudes about money matters, including recent research into the particular financial experiences and challenges of African Americans, Latinos, Chinese Americans, Korean Americans, Asian Indians, and Caucasians.

Helping Parents Protect Children's Educational Futures

Parents should be able to fulfill the dream of providing a quality education for their children – even if they can't be there to see it happen. That's the goal of MassMutual's LifeBridge Free Life Insurance Program. The program pays all premiums for a \$50,000 term life insurance policy that is issued to a trust that pays for children's educational expenses in the event that a parent or guardian dies.

Money can be used to pay for tuition, fees, books, campus room and board, and other educational expenses at preschools, private schools, trade schools, or colleges and universities. The only program of its kind, LifeBridge has issued more than 13,900 policies representing more than \$695 million in free coverage to income eligible families – with an ultimate goal to issue coverage worth \$1 billion.



Enhancing the Customer Experience Through Data

Because we're for technology that helps us serve one another better, MassMutual is investing in digital, big data, and analytics to help us provide a superior experience for our policyowners. That includes LifeScore360, an exciting new initiative that uses data science to create the first individual mortality risk scoring system of its kind for the life insurance industry. We took our commitment global in 2017 by opening a new data science operation in Hong Kong through MassMutual subsidiary MassMutual International LLC. Our work in this data-rich marketplace will focus on creating algorithms and predictive models that use hundreds of millions of data points to help us better understand health and behavior.

Measuring the Health of Employers' Pension Plans

MassMutual has more than 70 years of experience in the pension plan market. Now, we're sharing the wisdom we've gained over those years with the new PensionSmart Analysis tool. The tool provides insights into the health of an employer's pension, detailing a plan's current status, funding level or health, service structure, and a comparison to pension plans

sponsored by other employers in the same industry. With the results of the analysis, plan sponsors can work with MassMutual pension experts to get input about achieving their goals, from continuing their commitments to terminating a plan. At a time when experienced support for pension plans is becoming harder to obtain, MassMutual is offering resources to help employers manage complex financial issues and meet their obligations.



70
years

of experience in the
pension plan market

Employees

\$1.1M

2017 Mutual Impact Grants
21 Nonprofits



Mutual Impact Unlocks a World of Words

Kids who don't read at their grade level by the time they reach fourth grade are four times more likely to drop out of high school. In the Pioneer Valley in Massachusetts, near MassMutual's headquarters, a majority of third graders have reading skills that fall short. That's why our Springfield employees chose three nonprofits that promote early-grade reading proficiency to receive Mutual Impact grants in 2017.

Mutual Impact remains as much about the donation of time, talent, and passion as it is about dollars. Beyond making MassMutual Foundation-matched donations to support nonprofits in their communities, employees volunteer with grantees through traditional event-based and skills-based projects – including helping kids build reading skills to prepare them for lifelong success.



Mutual Impact Focus Areas

- Child Hunger
- Early-Grade Reading Proficiency
- Education
- Family Economic Self-Sufficiency
- Food Insecurity
- Returning Veterans
- Successful Advancement in School
- Violence Prevention & Safety

Employees

2017 People Initiatives

Living Mutual starts within our own walls. MassMutual goes the distance to create the strongest, healthiest, and most inclusive workforce possible – a team our people are proud to belong to.



10,466

visits to Wellness Services

Promoting Diversity and Inclusion Companywide

Diversity and inclusion help fuel our growth and help us achieve our purpose. We seek and value diverse perspectives that reflect the markets we serve, and remain committed to advocating for fairness, equality, and inclusion. In 2017, we were proud to increase the diversity of our workforce, as well as the percentage of employees who self-identify as LGBT, a veteran, or as having a disability. To create greater transparency and awareness of our diversity progress, we shared the demographics of our workforce internally for the first time.

Our focus on continuing education is helping create a culture where employees feel that they belong and are encouraged to bring their whole selves to work. MassMutual's eight employee-led Business Resource Groups have focused on professional development, mentoring, and providing business value. Through their collaboration, they have promoted understanding and inclusion at every level of the company.

Speaking Up About Issues That Matter

We know that we're more powerful when we join together with others. By supporting national movements working for social change, we gain strength in numbers and inspire others to speak up for what's right. In 2017, MassMutual became one of more than 180 corporate partners of the National LGBT Chamber of Commerce (NGLCC) who are dedicated to supporting LGBT entrepreneurs and sourcing from NGLCC's certified LGBT Business Enterprises.

Our CEO, Roger Crandall, also signed the CEO Action for Diversity & Inclusion pledge, committing to building an open-minded workplace and sharing successes and challenges with other companies. Finally, we signed on to the Paradigm for Parity action plan, which defines bold actions to help women advance in the workplace and in positions of leadership.

Using Technology to Help Employees Get Moving

Technology can play an important role in the shift to healthier behavior. To that end, MassMutual has negotiated discounts for employees purchasing Fitbit activity trackers. So far, employees have purchased more than 3,000 devices and many are participating in online fitness challenges. Physical activity logged with users' Fitbits can count toward our Live Healthy, Live Well incentive program, through which employees and their partners can earn financial rewards for completing activities that can improve their health.





2017 subsidy for healthy nutrition options

≈ \$540K

≈ 2,500

flu shots given

Making It Easy to Make Healthy Choices

MassMutual upholds a culture that values employee well-being by making everyday healthy choices affordable and convenient. The company subsidizes healthy food options in the cafeteria, like salad, soups, and fruit selections on certain days each week. We encourage routine medical care by offering free on-site flu shots to all employees. At our larger campuses, the Wellness Center provides onsite occupational health, minor injury and illness care, preventive screenings, and convenient medical services staffed by doctors, physician assistants, and registered nurses.

Fighting Hunger Through a Volunteer Garden

Among the organizations supported by the Mutual Impact program are food banks and shelters in Northern Connecticut and Western Massachusetts. MassMutual helps support these groups by tending to employee volunteer gardens in Enfield and Springfield, which have yielded a combined 17,000 pounds of vegetables since 2012. Approximately 20 employees work to keep these gardens productive and healthy.

Earning LEED Gold

In 2017, our Springfield headquarters was recertified for a Leadership in Energy and Environmental Design (LEED) Gold rating from the U.S. Green Building Council. This distinction reflects our ongoing commitment to lessen our environmental impact now and in the future. Since the Springfield campus's initial LEED certification in 2011, we have continued our green initiatives by adding electric vehicle charging stations; eliminating Styrofoam from our cafeteria; maintaining photovoltaic and thermal solar panels that supply 50 percent of our hot water and 3 percent of our power; and improving waste handling and energy and water efficiency.



2017 External Recognition

100% Rating

Human Rights Campaign Corporate Equality Index

Top Company for Executive Women

National Association for Female Executives

Best Place to Work for Disability Inclusion

Disability Equality Index

Military Friendly Employer

Well-Being Award

Cigna

Workplace Health Achievement Index

American Heart Association

Silver Medallion Award The Shingo Institute

World's only insurance company awarded

Gold Standard Employer

CEO Roundtable on Cancer

Students



67%

average increase in financial
knowledge after completing
FutureSmart course



2M

We aspire to reach
2 million students
and families by 2020

Learning Life Skills

“At first, I didn’t think much about saving,” says Ruth Viegas, a high school student in San Antonio, Texas, who attends a school where more than a third of students live below the poverty line. Then she took part in the MassMutual Foundation’s FutureSmart digital course. Based on the belief that financial education is key to economic opportunity, FutureSmart offers free digital financial

education to middle- and high-schoolers, covering topics such as budgeting, investing, and paying for college. Now, Ruth is thinking about financial issues both short- and long-term. “I’m already thinking about retirement,” she says. For Ruth and hundreds of thousands of other students who are now FutureSmart, this knowledge is power that will aid them throughout life.

Students

2017 Education Initiatives

MassMutual shows young people that they're not alone when it comes to preparing for their financial futures. At the same time, students help us chart courses in emerging disciplines.



\$500,000

to fund data science initiatives at University of Vermont

Expanding the FutureSmart Platform

One of the keys to success of the FutureSmart program is its practice of engaging with students in ways that resonate with them, whether through an interactive course or a live event in an NBA arena. With this approach in mind, we extended the platform to the devices with which teens spend a significant amount of time: their smartphones. The new FutureSmart mobile app is available for free to anyone – students do not have to be enrolled in the FutureSmart digital course in order to play. Each level of the app introduces players to a new life stage and the financial decisions that accompany it, from budgeting for a back-to-school shopping trip to saving for retirement. The app is available for iPhone or Android in both English and Spanish.

Growing Our Expertise in Data Science

Collaborations with universities are a critical way MassMutual is building capabilities in data science. This year, we launched a partnership with the University of Vermont (UVM) to fund an innovative pilot program within the university's Vermont Complex Systems Center. The partnership will fund a four-year fellowship for a Ph.D. student working in data science and complex systems; support exploratory questions related to wellness, human behavior, and networks with a team of interdisciplinary faculty. This also enables UVM to hire a Visual Data Artist-in-Residence, who will partner with Complex Systems Center students and faculty and with MassMutual's data science team to create visualizations that allow people to easily understand and interact with complex data. We are specifically interested in how environmental characteristics such as air pollution affect mortality and longevity over time. The initiative represents the largest single corporate collaboration with the Center since its inception in 2009.

23

Springfield Public Schools
served by City Connects
in 2017–2018



Bridging the Gap Between College and Careers

Which is better for a budding data scientist: academic training or real-world experience? Our answer is both, which is why we launched the Data Science Development Program, a three-year program that recruits recent college graduates and sponsors their graduate-level coursework while putting them to work on some of MassMutual's toughest data challenges and projects. Participants enroll in graduate courses at the University of Massachusetts Amherst and other institutions, with coursework supplemented by workshops led by local faculty and in-house training from industry experts. At the same time, program members contribute to multiple MassMutual data projects under the direction of a senior data scientist. Participants also build communication and leadership skills through stakeholder presentations and opportunities to direct independent research efforts.

Giving Students Resources They Need to Thrive

With 58 schools, the Springfield Public School district is the second-largest school district in Massachusetts. But three in four students in the district experience poverty, which can be a major obstacle to success. Thanks to a grant from the MassMutual Foundation, the City Connects program will help students stay in school and become career-ready. City Connects coordinates both in- and out-of-school support for students, designed to address the impacts of poverty on a child's ability to develop, learn, and thrive. Based on successes in other school districts, City Connects estimates that the intervention will boost students' math and literacy scores, lower absenteeism and drop-out rates, and increase the likelihood that students will progress to the next grade.

5,000

students
impacted



Neighbors

Helping Puerto Rico Rebuild

When John Vaccaro, head of MassMutual Financial Advisors, flew to Puerto Rico to deliver medical supplies after Hurricane Irma, he witnessed devastation before even stepping off the plane. “What I thought were blue roofs I soon realized were not roofs at all, but tarps distributed by FEMA for homes that had been destroyed,” Vaccaro says. The tour of destruction continued from there as the MassMutual team visited a responder staging area and met with our San Juan advisors.



Beyond the team’s delivery of 2,000 pounds of supplies, the MassMutual Foundation approved a \$250,000 grant to the Massachusetts United for Puerto Rico Fund to support relief efforts. “For me, the trip was a reminder that we are a great company focused on helping people,” Vaccaro says. “In a world full of challenges, great companies will continue to serve others.”

\$250,000

MassMutual Foundation donation to the Massachusetts United for Puerto Rico Fund

11

Full bins of winter clothes donated, in collaboration with ALMMA

230+

Families helped through donations and assistance programs in 2017

2017 Community Initiatives

Everyone needs a helping hand now and then. MassMutual is committed to giving back to those in need and showing support for the causes that matter to our employees.

Using Data for Good in Our Hometown

The Pioneer Valley Planning Commission (PVPC) is responsible for increasing communication, cooperation, and coordination among government, business, and civic organizations in central Massachusetts, where MassMutual is headquartered. We aligned with PVPC during our Data Days for Good initiative, where we dedicate our team's time and skillsets to fill capacity or expertise gaps for MassMutual partner organizations that advance social good. In support of a recently established collaboration between MassMutual Foundation, Community Foundation of Western Massachusetts, and the Davis Foundation, PVPC leveraged our data scientists to develop an interactive map-based tool for users to explore the progress and trends related to key social indicators of a thriving community within the Pioneer Valley. The tool will allow for informed discussion and decision-making related to a variety of issues in the region. Ultimately, the collaboration will expand to other community partners with the goal of promoting data-driven decision-making for nonprofits and funders alike.

22 grants totaling \$225,000 to local nonprofits in 2017

Multiplying Our Financial Professionals' Impact

We're stronger when we come together as a community. MassMutual's Community Service Awards recognize our financial professionals who embody this spirit by supporting nonprofits in their own neighborhoods. In the awards program's 21st year, MassMutual presented grants to nonprofit organizations with which our financial professionals volunteer, based on the demonstrated value of the individual's involvement over the past 12 months, the nature of their impact, and a holistic view of the organization's mission and impact in the areas they serve. The two \$25,000 grants made in 2017 went to the Boys & Girls Club of Grand Rapids and For Love of Children, a D.C.-based education nonprofit.



Three Drivers of Small Business Growth:

1. Access to capital
2. Business and management education
3. Access to business networks and contracting opportunities

Initiative for a Competitive Inner City targets all three drivers.

Helping Inner-City Businesses Grow

Initiative for a Competitive Inner City is a national nonprofit research and advisory organization and the leading authority on U.S. inner-city economies and the businesses that thrive there. Among its programs is Inner City Capital Connections (ICCC), which meets the unique needs of inner-city entrepreneurs. ICCC provides capacity-building executive education, coaching, mentoring, and access to capital, contracting opportunities, and business networks. A MassMutual Foundation grant brought ICCC to Springfield, supporting 75 local businesses with a full-day seminar featuring experienced practitioners and professors from top institutions. The program will help participating companies raise capital, grow revenue, and create jobs – which in turn will promote economic development in the Springfield area.



Board of Directors

Board Committees

- 1 Audit
- 2 Corporate Governance
- 3 Executive
- 4 Human Resources
- 5 Investment
- * Chair

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Chairman, President and Chief Executive Officer
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Springfield, Massachusetts

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Managing Director, Retired
The Carlyle Group
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Michael Fanning
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Mark Roellig
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Administrative Officer

Gareth Ross
Chief Digital and Customer
Experience Officer

Elizabeth Ward
Chief Financial Officer
and Chief Actuary

Subsidiary Leadership

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Chairman and Chief
Executive Officer,
MassMutual International

Tom Finke
Chairman and Chief
Executive Officer,
Barings

Art Steinmetz
Chairman, President and
Chief Executive Officer,
OppenheimerFunds



10% FIBER DERIVED FROM
POST-CONSUMER WASTE



Quality and Performance Matter

2017

Who you choose to work with matters. Consider an established, highly respected company based on demonstrated indications of quality and performance.

Massachusetts Mutual Life Insurance Company (MassMutual) is a mutual life insurance company providing long-term value.

- Has paid dividends to eligible participating policyowners every year since 1869¹
- Has retained more than 118,560 policies for 50 years or longer as of December 31, 2016
- Paid \$4.9 billion in insurance and annuity benefits in 2016



Strong, stable company with consistent growth

- Ended 2016 with \$675 billion of assets under management²
- Finished 2016 with a record level of total adjusted capital – \$17.3 billion, while surplus totaled \$15.4 billion; both are key indicators of the company’s financial strength³
- Achieved record-breaking weighted whole life insurance sales⁴ of \$657 million in 2016 – the eleventh straight year
- Attained \$18.3 billion in total Workplace and Institutional sales, with a record \$11.4 billion of retirement plan sales in 2016
- Supported a national network of more than 9,500 financial professionals at year-end 2016 – highest ever
- Ranked 77 in the annual *FORTUNE*® 500 ranking⁵

Responsible company

- Provided more than \$20 million in charitable contributions in 2016, focusing on financial education, education and economic development in our communities, and evolved our FutureSmartSM financial education program for middle- and high school students, offering an innovative digital curriculum that has already educated nearly 400,000
- Named a 2017 World’s Most Ethical Company by the Ethisphere Institute, recognized as a top company for executive women by NAFE, and honored by ContactCenterWorld as one of the Americas’ top-ranking performers in its contact center and customer service categories
- Issued more than \$690 million of life insurance coverage since 2002 through MassMutual’s LifeBridgeSM Free Life Insurance Program⁶



¹ Dividends are determined annually, subject to change and not guaranteed.

² Assets Under Management include assets and certain external investment funds managed by MassMutual subsidiaries, including OppenheimerFunds, Inc. and Barings.

³ These consolidated results also include MassMutual’s U.S.-domiciled, wholly owned subsidiaries: MML Bay State Life Insurance Company and C.M. Life Insurance Company.

⁴ Weighted sales are based on annualized new premium, with single premium payments calculated at 10 percent.

⁵ Data source: *FORTUNE*® Magazine, 6/12/17

⁶ MassMutual pays the premiums on \$50,000 of term life insurance for eligible parents or guardians, with the benefit paid into a trust earmarked for their child’s education. Trust services provided by The MassMutual Trust Company, FSB, a wholly-owned subsidiary of MassMutual.



longtermcare mia -MDInsurance- <longtermcare.mia@maryland.gov>

Long-Term Care Insurance Rate Review, Consumer Comment

Timothy Madden <timothy.madden@verizon.net>
To: longtermcare.mia@maryland.gov

Sun, Aug 5, 2018 at 12:07 PM

We are Tim and Bonnie Madden. We are 64 years old and life long residents of Maryland. Bonnie has retired and Tim is planning to retire in 4 years. We saw the need for long-term care insurance in our plans for retirement after caring for our aging parents. Our parents lived into their nineties and all required long term care.

We took out policies in 2012. We learned earlier this year that our long-term care policy provider, Mass Mutual, is requesting a rate increase. We are writing today to voice our opposition to any rate increase.

We selected a policy that allowed a 10-year period premium payment. The policy also included realistic limits on the benefit period (6 years, 180 day elimination period, 3% inflation rider and limited daily benefit amounts). We saw these coverage limits as allowing Mass Mutual to maintain policy under the prescribed premium payments. Now we learned that Mass Mutual feels it necessary to increase premiums beyond what was included in our policy. We object and ask that the Maryland Insurance Administration deny their request.

We have worked very hard to plan for our retirement so as not to be a financial burden to our children or the government. Any rate increase will jeopardize this possibility. Please consider our opinion in rendering any decision on this rate increase.

Regards,

Tim and Bonnie Madden