John Hancock Life Insurance Company (U.S.A.)
Actuarial Memorandum for Inforce Rate Increase – Gold Policy Series
July 20, 2026

Product Name	Form Number	Issue Date Range
Advantage Gold Select	LTC-96 MD 9/96	Jan 1997 - Feb 2003
Advantage Gold Select	LTC-96 MD 3/97	Jan 1997 - Feb 2003
Advantage Classic	LTC-96CL MD 9/96	Feb 1997 - Mar 1998
Advantage Classic	LTC-96CL MD 3/97	Feb 1997 - Mar 1998
Advantage Classic	NH-99 MD 4/99	Nov 1999 - Dec 2001
Fidelity Advantage Gold Select	LTC2000 MD 4/00	Sep 2001 - Apr 2003

1. Scope & Purpose

This memorandum consists of materials which support the development of new premium rates for the above captioned policy series forms. The purpose of this memorandum is to demonstrate that the requirements of this State in regards to an in force rate increase request have been met. This rate filing is not intended to be used for any other purpose.

2. Requested Rate Increase

The Company is requesting a flat rate increase of 124.2%. The rate increase was determined as the amount needed to meet the target loss ratio from our prior filing, based on nationwide experience through 2024 and projected future experience, reflecting the timing and history of the state's rate increases. The resulting overall increase in rates satisfies the rate stability rule, as the lifetime loss ratio after the rate increase exceeds 85%.

In the rate schedules by policy form, **Appendix B1** contains the new proposed rate tables for all policy forms included with this filing for those policyholders that *never* elected an inflation reduction or shared cost option as part of a past rate increase filing.

In the rate schedules by policy form, **Appendices B2** forward contain the new proposed rate tables for all policy forms included with this filing for those policyholders that *did* elect an inflation reduction or shared cost option as part of a past rate increase filing.

Please note that the actual rates implemented may vary slightly from those in the Appendices due to implementation rounding algorithms.

Exhibit 1 contains nationwide past premium and claims experience as well as future premium and claim projections, where all premiums reflect the timing and history of the state's rate increases. All policies are included with the exception of limited pay policies, which are a small proportion of our business as seen in the State and Nationwide Distribution of Business section. Waived premiums are not included.

Exhibit 1 also contains the original expected loss ratio projections, adjusted for the actual mix of business issued. Please note that the original pricing loss ratio was not restated for the removal of waived premiums due to immateriality.

The lifetime loss ratio as of 12/31/2024 is calculated as the sum of accumulated past and discounted future claims divided by the sum of accumulated past and discounted future earned premium where accumulation and discounting occur at the maximum statutory valuation discount rate. The maximum statutory valuation discount rate is 4.5%.

The exhibit illustrates that the anticipated lifetime loss ratio with the requested rate increase is 95.2%, which exceeds the original pricing loss ratio (determined at the maximum statutory valuation rate for consistency with the rate increase request) of 69.4%.

Furthermore, **Exhibit 1** demonstrates that the calculated loss ratio respects the rate stability form requirement:

The sum of the accumulated value of incurred claims without the inclusion of active life reserves, and the present value of future projected incurred claims, without the inclusion of active life reserves, will not be less than the sum of the following:

1. Accumulated value of the initial earned premium times the greater of the original assumed lifetime loss ratio and 58%,
2. Accumulated value of prior premium rate schedule increases times the greater of the original assumed lifetime loss ratio and 85%,
3. Present value of future projected initial earned premium times the greater of the original assumed lifetime loss ratio and 58%, and
4. Present value of future projected premium in excess of the projected initial earned premium times the greater of the original assumed lifetime loss ratio and 85%.

Detail on assumptions and recent analysis is provided in **Addendum #1 - Assumptions and Analysis Performed**.

3. Nationwide Loss Ratio Exhibit (Exhibit 1)

Gold (LTC-96, LTC-96CL, NH-99, A-3541, A-3542, LTC2000)

		Original Assumptions			With Current Assumptions			Historical and Projected Experience With Proposed Rate Increase		
	Calendar Year	Incurred Claims	Earned Premium	Incurred Loss Ratio	Incurred Claims	Earned Premium	Incurred Loss Ratio	Incurred Claims	Earned Premium	Incurred Loss Ratio
	1988	-	-	0%	-	43,668	0%	-	43,668	0%
	1989	-	-	0%	-	106,191	0%	-	106,191	0%
	1990	-	-	0%	-	167,104	0%	-	167,104	0%
	1991	-	-	0%	-	336,359	0%	-	336,359	0%
	1992	-	-	0%	-	2,211,732	0%	-	2,211,732	0%
	1993	-	-	0%	-	3,785,171	0%	-	3,785,171	0%
	1994	-	-	0%	6,681	5,630,242	0%	6,681	5,630,242	0%
	1995	-	-	0%	-	8,694,017	0%	-	8,694,017	0%
	1996	46,523	507,740	9%	-	16,349,303	0%	-	16,349,303	0%
	1997	1,883,605	20,957,444	9%	66,073	50,007,581	0%	66,073	50,007,581	0%
	1998	6,842,508	65,556,158	10%	6,890,701	99,104,320	7%	6,890,701	99,104,320	7%
	1999	14,704,687	114,182,665	13%	18,146,750	158,682,308	11%	18,146,750	158,682,308	11%
	2000	25,918,419	171,360,973	15%	28,136,337	225,380,179	12%	28,136,337	225,380,179	12%
	2001	37,631,987	219,645,420	17%	50,253,213	284,789,735	18%	50,253,213	284,789,735	18%
	2002	49,898,653	259,751,045	19%	74,024,302	326,979,252	23%	74,024,302	326,979,252	23%
	2003	59,562,641	253,233,083	24%	87,682,155	322,678,192	27%	87,682,155	322,678,192	27%
	2004	67,298,459	229,753,188	29%	102,969,735	312,153,578	33%	102,969,735	312,153,578	33%
	2005	72,669,704	209,369,594	35%	128,275,001	301,812,735	43%	128,275,001	301,812,735	43%
Historical	2006	77,353,484	191,816,110	40%	166,557,363	291,565,220	57%	166,557,363	291,565,220	57%
Experience	2007	82,554,406	176,590,927	47%	209,043,789	281,253,737	74%	209,043,789	281,253,737	74%
	2008	87,826,370	163,258,059	54%	218,849,671	269,461,356	81%	218,849,671	269,461,356	81%
	2009	92,407,052	151,400,475	61%	247,178,590	280,860,813	88%	247,178,590	280,860,813	88%
	2010	97,026,650	140,646,773	69%	255,263,298	273,785,987	93%	255,263,298	273,785,987	93%
	2011	101,964,803	130,677,044	78%	279,561,037	258,677,064	108%	279,561,037	258,677,064	108%
	2012	107,106,387	121,236,700	88%	303,865,727	227,791,776	133%	303,865,727	227,791,776	133%
	2013	112,188,316	112,151,971	100%	313,696,905	225,664,770	139%	313,696,905	225,664,770	139%
	2014	117,118,930	103,386,735	113%	350,929,441	232,489,699	151%	350,929,441	232,489,699	151%
	2015	121,754,306	94,957,671	128%	374,079,049	231,645,870	161%	374,079,049	231,645,870	161%
	2016	125,970,599	86,883,188	145%	406,729,099	237,211,448	171%	406,729,099	237,211,448	171%
	2017	129,700,208	79,180,098	164%	389,609,896	227,191,418	171%	389,609,896	227,191,418	171%
	2018	132,793,992	71,864,025	185%	415,443,233	224,819,961	185%	415,443,233	224,819,961	185%
	2019	135,179,074	64,948,256	208%	400,881,031	226,765,601	177%	400,881,031	226,765,601	177%
	2020	136,799,154	58,442,882	234%	388,888,776	225,603,879	172%	388,888,776	225,603,879	172%
	2021	137,634,476	52,355,371	263%	465,581,100	207,788,039	224%	465,581,100	207,788,039	224%
	2022	137,663,110	46,689,178	295%	480,387,262	203,323,453	236%	480,387,262	203,323,453	236%
	2023	136,741,174	41,443,414	330%	463,086,534	199,917,399	232%	463,086,534	199,917,399	232%
	2024	134,827,001	36,613,017	368%	456,309,884	195,321,508	234%	456,309,884	195,321,508	234%
	2025	131,952,950	32,190,787	410%	427,677,275	178,876,425	239%	427,677,275	178,876,425	239%
	2026	128,201,061	28,167,347	455%	399,348,264	177,226,242	225%	399,348,264	177,226,242	225%
	2027	123,640,882	24,530,268	504%	389,749,434	165,722,745	235%	380,547,017	292,910,515	130%
	2028	118,227,080	21,262,729	556%	377,890,576	148,018,191	255%	352,550,914	308,726,211	114%
	2029	112,127,070	18,345,977	611%	357,875,852	131,170,083	273%	333,540,294	274,135,101	122%
	2030	105,484,771	15,759,958	669%	334,819,063	115,393,254	290%	312,051,366	241,162,580	129%
	2031	98,452,945	13,483,372	730%	315,299,928	100,683,325	313%	293,859,532	210,419,813	140%
Projected	2032	91,129,382	11,493,607	793%	293,574,366	87,064,779	337%	273,611,309	181,957,963	150%
Future	2033	83,606,979	9,765,314	856%	270,683,755	74,770,305	362%	252,277,260	156,263,343	161%
Experience	2034	76,251,757	8,273,656	922%	247,580,867	63,885,781	388%	230,745,368	133,515,425	173%
	2035	69,286,921	6,994,979	991%	224,564,646	54,311,280	413%	209,294,250	113,505,372	184%
	2036	62,786,582	5,906,275	1063%	201,982,946	45,944,410	440%	188,248,105	96,019,188	196%
	2037	56,755,532	4,985,188	1138%	180,140,958	38,678,525	466%	167,891,373	80,833,994	208%
	2038	51,265,630	4,209,003	1218%	159,274,286	32,407,612	491%	148,443,635	67,728,225	219%
	2039	46,532,613	3,557,502	1308%	139,839,218	27,028,438	517%	130,330,151	56,486,136	231%
	2040	42,677,885	3,012,653	1417%	121,989,633	22,440,154	544%	113,694,338	46,896,960	242%

Note: Please refer to the Actuarial Memorandum, section "Ensuring No Cross-Subsidization Between States", for adjustments made to experience exhibits

Values as of 12/31/2024 (discounted at maximum statutory valuation rates)

	Incurred Claims	Earned Premium	Incurred Loss Ratio	Incurred Claims	Earned Premium	Incurred Loss Ratio	Incurred Claims	Earned Premium	Incurred Loss Ratio
Past :	4,095,638,737	7,474,769,012	54.8%	10,926,965,257	13,031,155,609	83.9%	10,926,965,257	13,031,155,609	83.9%
Future :	1,214,834,203	178,295,889	681.4%	3,670,615,771	1,213,841,312	302.4%	3,490,687,226	2,116,882,480	164.9%
Lifetime :	5,310,472,940	7,653,064,902	69.4%	14,597,581,028	14,244,996,921	102.5%	14,417,652,483	15,148,038,089	95.2%

Total Incurred Claims exceed Total Initial Premiums x max(58%, Original Pricing Loss Ratio) + Increased Premiums x max(85%, Original Pricing Loss Ratio)

	-		Accum Value of Past Initial Prm x 69.4% =	7,708,755,583
Minimum (Accum Value of Past Incurred Claims,			Present Value of Future Initial Prm x 69.4% =	182,601,772
Accum Value of Adjusted Expected Incurred Claims)	9,680,882,382		Accum Value of Prior Increases x 85.0% =	1,633,582,108
Present Value of Future Incurred Claims =	3,490,687,226		Present Value of Future Increases x 85.0% =	1,575,670,646
Total =	13,171,569,608	>=	Total =	11,100,610,109

Total Incurred Claims exceed Total Initial Premiums x max(60%, Original Pricing Loss Ratio) + Increased Premiums x max(80%, Original Pricing Loss Ratio)

	-		Accum Value of Past Initial Prm x 69.4% =	7,708,755,583
Minimum (Accum Value of Past Incurred Claims,			Present Value of Future Initial Prm x 69.4% =	182,601,772
Accum Value of Adjusted Expected Incurred Claims)	9,680,882,382		Accum Value of Prior Increases x 80.0% =	1,537,489,043
Present Value of Future Incurred Claims =	3,490,687,226		Present Value of Future Increases x 80.0% =	1,482,984,137
Total =	13,171,569,608	>=	Total =	10,911,830,535

4. Proposed Effective Date

New rates will not be effective until after the completion of prior rate increases for all policyholders with product forms listed in this memo. These rates will be effective on the next policy anniversary date after completion, following at least a 90 day policyholder notification period. The assumed effective date used to calculate the rate increase is 03/01/2027.

5. History of Previous Rate Revisions

An average rate increase of 13% on these policy forms was accepted by your state on September 10, 2008.

An average rate increase of 14.9% on these policy forms was accepted by your state on September 13, 2012.

An average rate increase of 13.9% on these policy forms was accepted by your state on September 11, 2013.

An average rate increase of 15% on these policy forms was accepted by your state on September 29, 2014.

An average rate increase of 14.9% on these policy forms was accepted by your state on October 23, 2015.

An average rate increase of 40.5% on these policy forms was accepted by your state on August 01, 2017.

An average rate increase of 39.7% on these policy forms was accepted by your state on April 01, 2020.

An average rate increase of 15% on these policy forms was accepted by your state on May 19, 2025.

6. Reduced Benefit Options (RBOs)

If the full or substantial portion of the rate increase request is approved and per the state's agreement, we will file the following additional options which provide policyholders alternatives to the rate increase:

- ***Inflation Landing Spots***
  Future inflation options (also referred to as "landing spots") allow policyholders that have Compound or Simple inflation coverage the option to offset the rate increase. Under these options, the policyholders get to keep their current accumulated Daily benefit and their current remaining Lifetime Maximum Benefit, but the future indexation rate will be reduced to a level which is actuarially equivalent to the requested rate increase in aggregate, where possible. These options are not available to limited pay policies or policyholders who have elected three prior inflation reductions.

- ***Shared Cost Option***
  Shared Cost option is an actuarially equivalent option that allows policyholders the option to offset the rate increase. The Shared Cost option would:

  - Reduce the policyholder's current policy benefit amounts by their Shared Cost percentage. The daily/monthly benefit and the policy limit will be reduced by the Shared Cost percentage
  - Apply a percentage factor to any future claim payments equal to the Shared Cost percentage. John Hancock will pay our portion (1 minus the Shared Cost percent) of any covered services, but will not pay more than the new reduced daily/monthly benefit amount and the policyholder will be responsible for the remainder.

Shared Cost Percentages are calculated using seriatim, nationwide data for each benefit period, inflation type and issue age band combination. All Shared Cost percentages are determined to be actuarially equivalent to the requested rate increases by combination of 5-year issue age band, benefit period and inflation type. The Shared Cost option is not available to limited pay policies or policyholders who have elected two prior Shared Cost options. This option is also not available to Advantage Classic policyholders because that plan already has a coinsurance provision for care received in a community setting or in an assisted living facility.

- ***Voluntary Enhanced Paid-Up Policy Option***
  For those who choose to stop paying premiums, this option will be a paid-up policy with a policy limit equal to the lesser of the current policy limit and 150% of premiums paid less any benefits received.

The premium rate tables reflecting these options will be filed upon request following a full or substantial approval.

7. State Policyholder Counts & Average Annual Premium

The table below summarizes the number of policies inforce that could be affected by the rate increase in your state and their annualized premiums, as well as the average annual premium per policy before and after the requested increase.

Counts and premiums are based on policies inforce as of 12/31/2024. Premium-paying policies as well as policies on claim are included, since although the premium for policies on claim is currently waived, they could be subject to the rate increase upon recovery. Paid-up policies and policies which have exercised the nonforfeiture benefit option are excluded.

Form	Number of Policies	2024 Annualized Premium*	2024 Average Annual Premium Before the rate increase*	2024 Average Annual Premium After the rate increase
LTC-96 MD 9/96	2,768	13,971,269	5,047	11,318
LTC-96 MD 3/97	(incl. above)	(incl. above)	(incl. above)	(incl. above)
LTC-96CL MD 9/96	2	8,965	4,482	10,051
LTC-96CL MD 3/97	(incl. above)	(incl. above)	(incl. above)	(incl. above)
NH-99 MD 4/99	(incl. above)	(incl. above)	(incl. above)	(incl. above)
LTC2000 MD 4/00	16	113,556	7,097	15,914

*Premiums reflect the rate increases approved in prior filing(s), including approvals where implementation is not yet complete

8. State and Nationwide Distribution of Business as of December 31, 2024

The state-specific and nationwide distribution of business for policyholders impacted by the rate increase is shown below by inflation type, benefit period, and issue age. The breakdown of business by Premium Payment Option is also included to show the number of policyholders no longer paying premiums due to nonforfeiture election or paid-up status.

Inflation Type

State	GPO	Simple	Compound	Total
NW	23%	29%	48%	100%
MD	10%	31%	60%	100%
NW	12,026	15,466	25,608	53,100
MD	271	855	1,660	2,786

Benefit Period

State	1 yr	2 yr	3 yr	4 yr	5 yr	6 yr	10 yr	Lifetime	Total
NW	0%	6%	16%	26%	0%	28%	4%	20%	100%
MD	0%	10%	18%	28%	0%	27%	3%	13%	100%
NW	9	3,345	8,462	13,854	198	14,767	1,949	10,516	53,100
MD	0	292	513	785	0	758	83	355	2,786

Issue Age

State	< 40	40-44	45-49	50-54	55-59	60-64	65-69	70-74	75-79	80+	Total
NW	0%	1%	5%	15%	29%	32%	15%	3%	0%	0%	100%
MD	0%	1%	4%	16%	30%	33%	13%	3%	0%	0%	100%
NW	151	794	2,415	7,864	15,226	16,854	8,028	1,645	121	2	53,100
MD	6	33	119	433	825	906	367	87	10	0	2,786

Premium Payment Option

State	Lifetime Pay	On Claim	Limited Pay	NFO*	Limited Pay, Paid Up*	Survivorship Waiver of Premium*	Total
NW	69%	13%	0%	17%	1%	1%	100%
MD	75%	13%	0%	12%	0%	0%	100%
NW	44,728	8,368	4	11,309	533	353	65,295
MD	2,381	405	0	386	0	6	3,178

*Policies not included in distributions by count shown above as they are not impacted by the rate increase.

9. Benefit Description(s)

A brief policy description for each of the policy forms:

LTC-96 MD 9/96, LTC-96 MD 3/97
Individually underwritten long-term care policies that provide comprehensive long-term care coverage for care received in a nursing home or assisted care living facility or covered services received in a community setting.

Provides reimbursement of 100% of covered long-term care expenses incurred after an elected elimination period is met, up to the maximum daily amount. For care received in a community setting or in an assisted living facility, the maximum daily amount could be 50%, 80%, or 100% of the nursing home maximum daily amount, as elected at issue. The benefit eligibility is determined based on the insured's cognitive impairment or their requiring physical assistance to perform two out of six activities of daily living (ADLs) of bathing, dressing, eating, toileting, transferring and maintaining continence.

Premiums are waived after the insured has met the elimination period and is receiving benefits and will continue to be waived until the insured stops receiving such benefits.

LTC-96CL MD 9/96, LTC-96CL MD 3/97
Individually underwritten long-term care policies that provide comprehensive long-term care coverage for care received in a nursing home or assisted care living facility or covered services received in a community setting.

For care received in a nursing home, provides reimbursement of 100% of covered long-term care expenses incurred after an elected elimination period is met, up to the maximum daily amount. For care received in a community setting or in an assisted living facility, provides reimbursement of 80% of covered long-term care expenses incurred after an elected elimination period is met, up to the maximum daily amount; this maximum daily amount could be 50%, 80%, or 100% of the nursing home maximum daily amount, and is elected at issue. The benefit eligibility is determined based on the insured's cognitive impairment or their requiring physical assistance to perform two out of six activities of daily living (ADLs) of bathing, dressing, eating, toileting, transferring and maintaining continence.

Premiums are waived after the insured has met the elimination period and is receiving nursing home benefits and will continue to be waived until the insured stops receiving such benefits.

LTC2000 MD 4/00
Individually underwritten long-term care policies that provide comprehensive long-term care coverage for care received in a nursing home or assisted care living facility or covered services received in a community setting.

Provides reimbursement of 100% of covered long-term care expenses incurred after an elected elimination period is met, up to the maximum daily amount. For care received in a community setting or in an assisted living facility, the maximum daily amount is 150% of the nursing home maximum daily amount. The benefit eligibility is determined based on the insured's cognitive impairment or their requiring physical assistance to perform two out of six activities of daily living (ADLs) of bathing, dressing, eating, toileting, transferring and maintaining continence.

Premiums are waived after the insured has met the elimination period and is receiving benefits and will continue to be waived until the insured stops receiving such benefits.

NH-99 MD 4/99
Individually underwritten long-term care policies that provide comprehensive long-term care coverage for care received in a nursing home or assisted care living facility.

Provides reimbursement of 100% of covered long-term care expenses incurred after an elected elimination period is met, up to the maximum daily amount. The benefit eligibility is determined based on the insured's cognitive impairment or their requiring physical assistance to perform two out of six activities of daily living (ADLs) of bathing, dressing, eating, toileting, transferring and maintaining continence.

Premiums are waived after the insured has met the elimination period and is receiving benefits and will continue to be waived until the insured stops receiving such benefits.

10. Renewability

All policy forms are guaranteed renewable.

11. Applicability

This filing is applicable to in force policies only, as these policy forms are no longer being sold in the market. The premium changes will apply to the base forms as well as all applicable riders.

12. Trend Assumptions

As this is not medical insurance, we have not included any explicit medical cost trends in the projections.

13. Marketing Method

This product was typically marketed through our traditional agency system and brokers involving a personal contact with each applicant.

14. Underwriting

These policy forms were underwritten using a medical and risk questionnaire. We also utilized Attending Physician Statement and personal interviews depending on the age of the applicant and medical conditions.

15. Premium Classes

The base policy premium rates vary by issue age, benefit period, inflation option, home health care maximum benefit percentage, and underwriting class, as in the initial rate filing.

All premium factors related to the insured elected benefit design options or any eligible discount remain unchanged from the initial rate filing.

16. Premium Modalization Rules

Frequency	Multiple of Annual Premium
Semiannual	.52
Quarterly	.27
Monthly	.09

17. Issue Age Range

The issue age range is 18-84 for all policy forms.

18. Area Factors

Area factors are not applicable to any of the policy forms or riders.

19. Reserves

Active Life Reserves have not been used in this rate increase demonstration. Minimum Statutory Claim reserves as of 12/31/2024 have been discounted to the date of incurral of each respective claim and included in the historical incurred claims. Incurred But Not Reported claim reserves as of 12/31/2024 have also been allocated to the calendar year of incurral and included in historic incurred claims.

20. Ensuring No Cross-Subsidization Between States

We have ensured no state's rate increase approvals will subsidize other states' rate increases. Rate increases will vary by state, but only to reflect the timing and amount of prior rate increases approved by that state. This is accomplished by first backing-out all prior approved rate increases from our nationwide premium data. We then re-introduce actual prior rate increases with the amount and timing based on your state's prior approvals (as detailed in the section entitled **History of Previous Rate Revisions**). The current proposed rate increases are then determined based on the amounts needed in order to achieve our target lifetime loss ratios certified to in our prior filing.

Although some states may have capped our previous inforce rate increase filings, in each case this was done with the understanding that the full amount of the proposed rate increases were justified and that John Hancock would be refiling for the remainder at a later date. In instances where the remainder remains unapproved, it has been included in the current filings.

21. Past Losses Testing

The 2014 Long Term Care Model Regulation defines past losses as actual past claims less expected past claims when determining loss ratio compliance. Expected past claims are defined as the following:

> "Expected claims shall be calculated based on the original filing assumptions assumed until new assumptions are filed as part of a rate increase. New assumptions shall be used for all periods beyond each requested effective date of a rate increase [regardless of whether or not the rate increase is approved]. Expected claims are calculated for each calendar year based on the in-force at the beginning of the calendar year. Expected claims shall include margins for moderately adverse experience; either amounts included in the claims that were used to determine the lifetime loss ratio consistent with the original filing or as modified in any rate increase filing."

We apply this methodology in demonstrating that we are not recouping past losses.

The 'Adjusted Expected Incurred Claims' are initially calculated by applying the original pricing durational loss ratio to the actual earned premium in a given calendar year. Later, in years in which and after which we filed for inforce rate increases, expected incurred claims are based on the new assumptions that were filed.

The accumulated value of the Adjusted Expected Incurred Claims is compared to the accumulated value of Actual Incurred Claims. The lesser of the Adjusted Expected Incurred Claims or Actual Incurred Claims is used for past claims when ensuring that the resulting overall increase in rates satisfies the rate stability rule ensuring a loss ratio no less than 85% (or the original pricing loss ratio if greater) on the rate increase portion, while applying 58% (or the original pricing loss ratio if greater) on the original rate schedule. This is demonstrated at the bottom of **Exhibit 1**. The derivation of Adjusted Expected Incurred Claims and comparison to Actual Incurred Claims can be seen in **Addendum #2 – Demonstration of not Recouping Past Losses**.

22. Actuarial Certification

I am a Fellow of the Society of Actuaries and a Member of the American Academy of Actuaries, and I meet the Academy's qualification standards for rendering this opinion and am familiar with the requirements for filing long-term care insurance premiums and filing for increases in long-term care insurance premiums. This memorandum has been prepared in conformity with all applicable Actuarial Standards of Practice, including ASOP No. 8.

The preceding Actuarial Memorandum contains:

a) the assumptions on which this certification is based;
b) the adjustments to prior assumptions with an explanation of the reasons previous assumptions were not realized;
c) a lifetime projection of the prior premium rate schedules and incurred claims plus future expected premiums and claims which demonstrates that the revised premium rate schedule meets the loss ratios standards and necessary details of this state; and
d) disclosure of the manner, if any, in which reserves have been recognized.

If the requested premium rate schedule increase is implemented and the underlying assumptions are realized, no further premium rate schedule increases are anticipated.

I have reviewed and taken into consideration the policy design and coverage provided, and our current underwriting and claims adjudication processes.

In forming my opinion, I have used actuarial assumptions and actuarial methods and such tests of the actuarial calculations as I considered necessary. Based on these assumptions or statutory requirements where necessary, the premium rate filing is in compliance with the loss ratio standards of this state.

The basis for contract reserves has been previously filed and there is no anticipation of any changes.

P.J. Beltramini, FSA, MAAA
VP, Long Term Care Inforce Management
John Hancock Life Insurance Company (U.S.A.)

Addendum #1 - Assumptions and Analysis Performed

As part of the inforce management of the business, the Company completes periodic analysis for morbidity, voluntary lapse rates, and mortality. The findings from these analyses were used in projecting the inforce business to determine the effect of experience on the projected lifetime loss ratio. The most current studies show unfavorable trends overall for the Pre-Custom Care block of business since the study that prompted our 2022 rate increase filings.

Relative to previous expectations, the new data demonstrates higher utilization of benefits and unfavorable mortality for non-claimants, partially offset by favorable claim terminations and claim incidence.

[REDACTED]

A. Current & Prior Assumptions

Morbidity

[REDACTED]

Incidence

[REDACTED]

After updating assumptions to reflect experience, the overall A/E ratio is 99%.

Duration	Prior	Current
Total	94%	99%

Claim Terminations

[REDACTED]

After updating assumptions to reflect termination experience, the A/E is 98% for the first 5 months on claim, 101% for months 6+ and 101% overall.

Months on Claim	Months 0-5	Months 6+	Total
Total	98%	101%	101%

Utilization

[REDACTED]

After updating our assumption based on experience, the calendar year 2024 A/E is 100%.

Inflation Type	Prior	Current
Compound	108%	102%
None	101%	98%
Simple	103%	100%
Total	105%	100%

Voluntary Lapses

[REDACTED]

Actual to Expected ratios for all blocks (John Hancock individual business) summarized by inflation and duration groups before and after the assumption update are shown below.

	Prior			Current		
Policy Duration	No Inflation	Inflation	Total	No Inflation	Inflation	Total
15-19	124%	114%	115%	101%	99%	99%
20+	113%	106%	108%	103%	103%	103%
Total	112%	106%	107%	98%	101%	100%

The changes to the expected lapse assumption improved the fit across cohorts and resulted in a total A/E of 100%.

Mortality

[REDACTED]

The table below shows the A/E ratios for non-claimants before and after the assumption update for Pre-Custom Care products. Experience was lower than expected.

Prior	Current
93%	102%

Expenses

[REDACTED]

B. Original Pricing Assumptions

[REDACTED]

Addendum #2 – Demonstration of not Recouping Past Losses
Gold (LTC-96, LTC-96CL, NH-99, A-3541, A-3542, LTC2000)

	Calendar Year	Original Incurred Loss Ratio	Historic Data Earned Premium	**Adjusted Expected Incurred Claims**		Historic Data Incurred Claims
Original Pricing	1988	0%	42,883	**-**		-
	1989	0%	104,264	**-**		-
	1990	0%	163,081	**-**		-
	1991	0%	319,836	**-**		-
	1992	0%	2,109,048	**-**		-
	1993	0%	3,716,742	**-**		-
	1994	0%	5,539,733	**-**		6,681
	1995	0%	8,530,610	**-**		-
	1996	9%	15,887,181	**1,452,984**		-
	1997	9%	48,284,790	**4,336,972**		66,073
	1998	10%	97,185,310	**10,061,669**		6,890,701
	1999	13%	156,373,618	**19,648,013**		18,146,750
	2000	15%	223,046,962	**32,625,405**		28,136,337
	2001	16%	282,688,484	**46,448,908**		50,253,213
	2002	18%	326,084,894	**59,666,793**		74,024,302
	2003	22%	323,458,687	**72,114,588**		87,682,155
	2004	28%	313,032,848	**86,843,075**		102,969,735
	2005	33%	302,644,424	**99,412,490**		128,275,001
	2006	38%	292,544,516	**111,524,544**		166,557,363
	2007	44%	282,399,889	**125,015,853**		209,043,789
2008 Assumptions	2008			**138,746,213**		218,849,671
	2009			**147,884,642**		247,178,590
2010 Assumptions	2010			**225,477,020**		255,263,298
	2011			**237,762,938**		279,561,037
	2012			**248,378,870**		303,865,727
2013 Assumptions	2013			**289,880,225**		313,696,905
	2014			**310,010,100**		350,929,441
	2015			**319,127,959**		374,079,049
2016 Assumptions	2016			**380,143,190**		406,729,099
	2017			**394,614,175**		389,609,896
	2018			**409,643,721**		415,443,233
2019 Assumptions	2019			**438,901,427**		400,881,031
	2020			**445,402,184**		388,888,776
	2021			**450,123,076**		465,581,100
2022 Assumptions	2022			**449,614,114**		480,387,262
	2023			**446,372,214**		463,086,534
	2024			**436,981,659**		456,309,884
Values as of 12/31/2024 (discounted at maximum statutory valuation rates)						
Past :				**9,680,882,382**	<	10,926,965,257

Minimum (Accum Value of Past Incurred Claims,
Accum Value of Adjusted Expected Incurred Claims) = 9,680,882,382

The lesser of actual and expected past claims, $9,680,882,382, is used in demonstrating compliance with the minimum loss ratio in Exhibit 1