Deposition of:

Maryland Insurance Administration

November 18, 2020

In the Matter of:

Long Term Care Hearing

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MARYLAND INSURANCE ADMINISTRATION

LONG-TERM CARE HEARING

OFFICE OF THE ACTUARY

November 18, 2020, 12:00 p.m.

Due to COVID-19, Conducted remotely

MIA STAFF:
Kathleen Birrane, Commissioner
Todd Switzer
Adam Zimmerman
Jeff Ji
David Cooney

REPORTED BY: David Corbin, RPR

TRANSCRIPT OF PROCEEDINGS

MS. BIRRANE: So good afternoon. Welcome to the Maryland Insurance Administration's fourth and final public hearing on a request by specific carriers to increase their long-term insurance rates in 2020. I'm Kathleen Birrane and I serve as the State Insurance Commissioner. Please note that this hearing is being recorded and it will be available for viewing on the MIA's web site along with any comments submitted in connection with the hearing. We are recording it because of the state of emergency and pandemic. We are hosting this meeting this time not in person but through the Webex events platform. The recording is both visual and audio, and in addition we do have a court reporter that is making a transcript and that transcript also will be available on the MIA's web site when it has been prepared. So as a matter of housekeeping, let me remind everyone to please keep your speakers muted. And I ask you please do not place your phone on hold. Unfortunately this sometimes results in broadcast music coming into the call. I can't stress that enough. If you do -- if we do start to hear that and it disrupts the hearing, we will unfortunately have to drop you from the call. So today's hearing focuses on several rate increase filings that are currently under review by the MIA in the individual long-term care market. Those filings are filing from MedAmerica Insurance Company proposing increases of 25.6 percent for policies without inflation, and increases of 40.1 percent for policies with inflation. As well as Genworth Life Insurance Company, which is proposing increases of 66.3 percent. In the long -- in the group long-term care market we are reviewing requests from Genworth Life Insurance Company proposing increases of 65.1 percent. Combined, these requests affect about 4,054

Maryland policyholders. All of these filings are available on the MIA's web site. The goal of today's hearing is for a representative of each insurance company to explain the reasons for the rate increase request and to answer any questions that the MIA may have about the reasons provided. We also want to hear from consumers and other interested parties about the requested increases. This is not a question and answer forum and we will not take questions from participants, although the MIA panel may ask them of you. If you have submitted comments to the MIA previously, we will call on you and offer you the opportunity to speak today. If you have not previously submitted comments or asked to speak, you may still do so by identifying yourself and any organization that you might represent and asking to be heard. You should do so by typing in the chat section that you would like to speak. And if time permits, and the technology works with us, that we will call on you and unmute you and give you the opportunity to speak. Comments from interested parties were received and reviewed in advance of this meeting. The MIA will keep the record open until Wednesday, November 25th, 2020 for additional written testimony. And as I noted before, the transcript of today's meeting as well as all written testimony submitted will be posted on the MIA's web site on the long-term care page, which is found at the MIA's web site if you click on the long-term care tab located under quick links, it will take you to that site. And I will repeat that information at the end of this hearing. So as we get ready, let me first introduce the MIA staff members who are here with me today. From the Office of the Chief Actuary, we have Todd Switzer, who is our chief actuary. Adam Zimmerman, an actuary. And Jeff Ji, a senior actuary. In addition we're joined by David Cooney, our associate commissioner of life and health, Michael Caddie, the director of Government relations, and Craig Ey, who is our director of communications. When you speak, please state your name and organization and if you would please spell your last name for the court reporter. And I'll now turn this over to Adam Zimmerman who has a few comments he would like to make.

MR. ZIMMERMAN: Thank you, Commissioner. My name is Adam Zimmerman. I'm an actuary with the Maryland Insurance Administration. And before we get started I just wanted to go over an overview of the current marketplace of long-term care in Maryland. So year end, 2019, in Maryland there were 142,000 lives in force that were covered by stand-alone long-term care policies. In the last decade, between 2010 and 2019 in Maryland, the enrollment for stand-alone long-term care plans peaked in 2012 when there were approximately 140 -- excuse me, 154,600 lives in force. In 2019, in Maryland, the average premium for a long-term care policy was approximately $2,100. And over the last several years the sale of combination or hybrid products is growing rapidly. For those who are unaware, a combination product combines life insurance or an annuity with long-term care benefits. For nationwide, we don't have Maryland specific data, but nationwide, in 2018 there were approximately $1.8 billion in premium issued for combination products, compared to approximately 175 million in first year premium for stand-alone long-term care products. Another thing that we're looking at is with regard to Covid-19, there may be a shift in how policyholders are receiving care, mainly receiving care at home as opposed to in nursing homes or assisted living facilities. And so with that being said, one thing I wanted to point out is using Genworth's cost of care survey for 2019, I just wanted to provide a few average costs for different services. So in Maryland, a home health aid was estimated to be approximately $54,912 in 2019. An assisted living facility for a one bedroom was $51,600. And then compared to nursing home settings, a nursing home -- excuse me, a semi-private room was approximately 116,000. And a private room for a nursing home was approximately 120,000. So with the overview of the market completed, I just wanted to talk about a few rate approval histories over the last few years with regards to long-term care. So in 2018 the MIA reviewed and approved 49 long-term care files with the average request from the companies being 42 percent and the average approval granted by the MIA was 16.5 percent. In 2019 there were seven files that were received and approved by the MIA with the average request from the company being 42.8 percent and the average approval was 9.4 percent. And year to date 2020, the MIA has reviewed and approved 34 long-term care files. The average request was 70.2 percent and the average approval was 32.1 percent. For those that are unaware, Maryland has a 15 percent annual rate cap in our regulation. And so from those approvals above, any approval that was over 15 percent would have been phased in over multiple years, two or three years as an example. And one thing you'll notice is that in 2020 the MIA has approved larger increases than the average approval in 2019 and 2018. And this is because we have been able to work with companies unlike -- more successfully than in 2018 and 2019 to be able to agree a rate guarantee period after implementation of a rate increase. So what this means is that once -- once a rate increase has been approved and implemented by a company, they have agreed to guarantee or not raise their rates for a certain amount of time. And so far in 2020 we have worked with companies to achieve rate guarantee periods ranging anywhere from three years and we have had one company agree to a lifetime guarantee period after the rate increase had been implemented. And one reason for this change is, you know, approving a single increase year over year potentially does not provide consumers as much information about the future of their policy or, you know, the ability to make informed decisions, you know, should they drop a rider or pay the increase or whatever the case may be. So we're just trying to provide policyholders as much information as believe policyholder about the future of their policy premiums and allow them the opportunity to make the most informed decisions. So that being said, I'll turn it back over to the Commissioner, who I believe will call the first panelist up.

MS. BIRRANE: Yes, thank you. So I think we will first hear from MedAmerica Insurance Company, and I believe that is Patrick Kinney will be speaking on behalf of MedAmerica.

PATRICK KINNEY: Yes.

MS. BIRRANE: Thank you, Mr. Kinney.

PATRICK KINNEY: Commissioner Birrane, Mr. Switzer, Mr. Ji, Mr. Cooney, Mr. Zimmerman, administration staff and guests, thank you for the opportunity to appear regarding our long-term increase premium rate increase filing. My name is Patrick Kinney and I'm the director of long-term care pricing at MedAmerica Insurance Company. MedAmerica sold stand-alone long-term care policies nationwide from 1987 through early 2016. Although the company ceased sales at that time, we remain committed to provide promised LTC benefits to the nearly 100,000 people across the country, including the 400 in Maryland who rely on us to continue their coverage long into the future. Adverse experience in policy persistency, morbidity and interest earnings threatens the financial health of the LTC industry.

MedAmerica is a monoline LTC company with no other insurance products to offset projected shortfalls in long-term care coverage. We believe that further premium rate increases are necessary now to insure our ability to pay LTC claims in the long-term. We need to place our closed block LTC products on a sounder financial footing for the future. Today's hearing concerns our requested premium rate increases on our Simplicity 2 product. This policy form was issued in Maryland in 2008 through April 2014. In 2015 we requested an average 25 percent rate increase nationwide on this policy form due to deteriorating experienced projections. The Maryland Insurance Administration allowed a 15 percent rate increase in December 2015, which took effect in 2016. Follow-up filings allowed for increases of 4.3 percent in 2018 and 4.2 percent in 2019, bringing the cumulative rate increase in Maryland up to the 25 percent nationwide increase level. Since the determination of the need for that initial rate increase of 25 percent back in 2015, the company has regularly updated its experience studies to include more years of data. In 2019 our updated actuarial projections of the lifetime loss ratio on the Simplicity 2 policy form demonstrated that experience nationwide has been more than moderately adverse compared to our 2015 projections. Under applicable regulatory principals, this demonstration allows the company to request an additional rate increase. As stated in our actuarial memorandum, an average rate increase of 38.5 percent is considered necessary at this time. As of year end 2019 there were 124 individual Maryland policyholders who would be affected by our rate increase. I recognize that this may seem like a very small block to the administration. MedAmerica is a small company and we're pursuing a rate increase request on our Simplicity 2 policy forms nationwide. Of all jurisdictions where we are seeking this increase, Maryland is in approximately the 43rd percentile nationwide by enforced premium. Although the annual premium increases we have asked for may therefore seem small in total dollar impact to us, they are not insignificant to the company. And of course we all understand that any rate increase is significant to our insureds. We believe it is a matter of equity across insureds nationwide that we seek similar or actuarially equivalent rate increases in all states. State by state approvals can and do vary dramatically. Nationwide MedAmerica is requesting a premium rate increase that varies by issue age and inflation option to achieve the same cumulative rate increase except where limited by regulatory restrictions. In Maryland the company is requesting a phased-in rate increase up such that no policyholder will receive an increase of more than 15 percent in a single calendar year in order to compare with Maryland regulation. The phased-in increase is approximately actuarially equivalent to the nationwide request described in our actuarial memorandum and varies only by inflation option, if allowed, rather than by issue age and inflation. Our rate request is for a first year increase of 15 percent for all insureds, for policies with no automatic inflation protection. A second year increase of 9.2 percent would achieve cumulative actuarially equivalence with our nationwide rate request. Because of the greater risk on policies with inflation protection, we're requesting a second year increase of 15 percent and a third year increase of 5.9 percent in order to reach actuarially equivalence. Implementation of any rate increase will take place no earlier than one year after implementation of the prior rate increase, and no policyholder will receive more than one rate increase within 12 months. The actuarial memorandum supporting our filing presents the experienced analysis and projections justifying the full rate increases we believe to be necessary for illustrative purposes and for consistency with the information provided in other jurisdictions. We feel that this transparency provides Maryland regulators with a more complete picture of the financial risk to the company and the rate actions ultimately considered necessary to mitigate these risks. We feel it would be in the policyholders best interest if the administration were to approve the requested series of annual increases. That would allow the company to communicate known future rate increases to our insureds who could then make decisions regarding their policies with the fuller knowledge of future expectations. However at minimum we believe a 15 percent increase is justified for all insureds at this time. MedAmerica will offer insureds affected by any proposed premium increase the option of reducing their policy benefits to provide flexibility of choice for those insureds who wish to maintain a premium level reasonably similar to what they were paying prior to the rate increase. Furthermore the company is offering a contingent non-forfeiture, or CNF, benefit to all insureds affected by the rate increase so that a policyholder who lapses in premium payments due to the rate increase remains eligible to receive some level of paid-up benefit in the future. To help consumers navigate their options to continue premium payments, accept a reduced paid-up CNF benefit, or find another benefit reduction option that best suits them, our insureds are encouraged to call our toll free customer service phone number. As each policy is unique, MedAmerica works with each person individually. Our company takes pride in providing quality claims service to our insureds. 96 percent of our claimants surveyed rate their experience with MedAmerica as above average or excellent, and our average time to pay a claim is 6.4 days. We believe this service excellence is a critical component in fulfilling our promises and taking care of our insureds, and we intend to continue providing this level of service going forward. In closing, I would like to reiterate that despite the fact that we no longer sell long-term care insurance, MedAmerica is committed to delivering on all of our promises to our customers. Granting actuarially justified rate increases will help assure we have the financial strength to continue providing the benefits and services our insureds expect and deserve. Thank you for your time and consideration. I'm happy to answer any questions at this point.

MS. BIRRANE: Thank you. I'm sure that

members of the actuarial team will have questions. I just have one point of factual confirmation, I just want to make sure I understood your testimony correctly. You indicated that your projections were based on nationwide data. Is that nationwide data for this product or your long-term care book or more generically.

PATRICK KINNEY: It's nationwide data for the -- well, we analyze our data across all of our products and develop assumptions appropriate to each product. So the assumptions supporting this file are based on the Simplicity 2 product, and I believe we may also look at our Simplicity 1 -- just Simplicity and Simplicity 2 products experienced together because they are very similar cash basis products.

MS. BIRRANE: And as you were projecting trend you were looking at Simplicity 1 and 2.

PATRICK KINNEY: I believe that's what we do, yes. And then we break it up -- we've moved to a predictive analytics system for looking at our experience. It may actually have a different variable for Simplicity and Simplicity 2 at this point. But because the products are similar, they are cash basis products as opposed to reimbursement products, we often look at them similarly.

MS. BIRRANE: Okay. Thank you. I just wanted to make sure that I understood what you meant by nationwide data. And I'll turn it over to our actuaries.

MR. SWITZER: This is Todd. I did have a question or two, please. Thank you, Mr. Kinney. We note that your company runs a relatively lean risk base capital position, and in looking at third quarter financial results, we saw that in first quarter a significant decrease in capital and surplus, 21 percent decrease. However in the second quarter about a 31 percent increase, and in the third quarter, 27 percent increase, with some material impact to risk base capital. Again, I recognize that you run a relatively lean position there. So my question is I know you submitted these filings in August and obviously did the analysis in the months preceding that, August 24th or so. So with the benefit of another quarter of data, a little more time elapsed, do you expect those kinds of results, do you have a read for a quarter or two or any commentary in that regard, please.

PATRICK KINNEY: Well, I believe that we have seen a slight dip in claims in 2020 and that we considered associated with the Covid-19 situation. We don't expect that to continue into the future. We expect our long-term assumptions will still hold.

MR. SWITZER: Okay. Thank you. And one more. I noticed that you updated the data in 2015, updated data again in 2019. So is the next one slated for 2023, about a four year cycle to do a full data refresh.

PATRICK KINNEY: We're actually in the process of working with our consultants to move from a claims cost model to a first principals model. Now I'm getting very technical here. So we may well be conducting an update in 2021 or 2022 based on our first principals model.

MR. SWITZER: Got it. That's helpful. Thank you very much. That's it for me.

CRAIG EY: Jeff, you're on mute.

MR. JI: Mr. Kinney, this is Jeff Ji. Couple things. If Maryland Insurance Administration can not approve what you requested, which is 38.5 on average, do you have any next plans.

PATRICK KINNEY: Well, our plans would be to request the follow-up increases at the levels that I outlined in my testimony for year one, year two and year three. If the approval were to be, you know, 15 percent or less in year one, we would come back in, you know, another year or so for another request to bring us up to the level that we have currently requested.

MR. JI: Okay. Thank you.

MR. ZIMMERMAN: I believe you're on mute, Commissioner.

MS. BIRRANE: Sorry, guys. I was so paying attention to my own rules. So Adam, did you have any questions.

MR. ZIMMERMAN: No, I'm okay for now. Thank you.

MS. BIRRANE: Thank you. And Mr. Kinney, thank you for your testimony today. We appreciate it. And we will move on to Genworth and to Jamala Arland.

JAMALA ARLAND: Thank you, Commissioner Birrane. Can you hear me okay.

CRAIG EY: Your volume is a little low, Ms. Arland.

JAMALA ARLAND: Is that better?

CRAIG EY: No. Still a little bit low.

It appears we lost your video.

MS. BIRRANE: Unfortunately we still can't hear you. I think one of the options that you have is to change your audio to your phone if you want to try that. Although I have to say I'm not the tech savvy person on the call by a long shot.

CRAIG EY: Another option would be to just log back in. Because you had good sound when you first got into the meeting. So that would be an option.

MS. BIRRANE: And it's okay, take your time if you need to do that. We have three hours set aside for this hearing.

CRAIG EY: There are three dots at the bottom of the screen, and if you click on that, you might be able to select computer audio, which might help. I'm thinking that your best option may be to try to log back in.

MS. BIRRANE: I think for me one of the most challenging things of the pandemic has been the number of different tech platforms that we have all had to learn to navigate, from Webex to Zoom to Google to Team. It's -- I'm sure that for everybody on this call it's a constant challenge to be able to align the technology and the equipment. So it's been both a blessing and a curse. It keeps us connected and it keeps us moving, but at the same time it's a challenge to make sure it all works together smoothly.

CRAIG EY: Okay. Back on.

MS. BIRRANE: Came back in again.

CRAIG EY: Yes. Ms. Arland. Ms. Arland, can you hear us. Can you hear us. When you logged in, did you hit computer audio? There might have been a dialogue box. Ms. Arland, can you hear us.

MS. BIRRANE: Are you able to hear us, Ms. Arland. I'm not sure that she is. Let me try to send her an e-mail.

CRAIG EY: Let's see.

JAMALA ARLAND: Hi there. Can you hear me?

CRAIG EY: Yes, we can hear you.

MS. BIRRANE: Yes.

JAMALA ARLAND: Oh, gosh. I'm calling from my phone. I apologize, I'm sorry. I had to move after we initially connected. So I really apologize.

MS. BIRRANE: No, no worries at all. It's our new normal. So we can hear you now and we are happy to hear from you both with regard to the individual product and the group product increases that Genworth is requesting.

JAMALA ARLAND: Thank you so much. And thank you for your patience. Okay. Good afternoon. My name is Jamala Arland, A-R-L-A-N-D. And I'm the vice president and actuary in Genworth's long-term care close block business unit. I'm an actuary in good standing with the Society of Actuaries and the American Academy of Actuaries. Commissioner

Birrane, thank you and the Maryland Insurance Administration team for holding today's virtual hearing and for providing Genworth and our policyholders and opportunity to discuss what is happening with our long-term care insurance policies. I would like to thank all of the policyholders for your interest and participation. Genworth understands that your long-term care insurance coverage is important to you. We welcome this opportunity to participate in the hearing. During this unprecedented period, Genworth understands that our ability to support, service and protect you, our policyholders, is of absolute importance. We take this very seriously and affirm our commitment to being there for policyholders when they need us. Genworth has been selling long-term care insurance in the State of Maryland since 1978, and currently provides coverage to approximately 30,000 Maryland policyholders and approximately

1.1 million policyholders nationwide. I'm here today to speak specifically about our current long-term care premium increase filings which are pending with the Maryland Insurance Administration. Genworth understands how difficult premium increases are to our policyholders and we welcome this opportunity to provide information that explains why rate increases are needed, and we also want to discuss the various options we offer to policyholders that -- and the ways we can assist them in making informed choices about their specific long-term care needs. Genworth is currently seeking the first rate increases on two of our newer product areas, including an employer group product. So when I use the terminology of policyholder, I intend that to refer to certificate holders in the case of the employer group product. When we price these long-term care insurance policy forms, we utilize professional actuarial judgment to develop a function that looks as long into the future as six years. Genworth employs our best effort to complete a thorough professional assessment at time of original pricing and we also continue evaluation of the block on an ongoing basis. Since 2010 claim information has more man doubled for Genworth. We have seen that claims continue to cost more and occur with higher frequency than originally anticipated. While information on claims for uniproducts is still developing, we've leveraged our experienced data to inform our assumption settings. For the assumptions supporting these rate increase requests, Genworth has leveraged significant new claim experience on similar and related product theories based on over 11,000 claims in total and in particular on claims at attained ages of 75. It is our intent to act in a timely manner and work diligently with regulators to obtain approval for the proposed rate increases and seek to avoid more significant rate increases when the average attained age is higher. I want to highlight a few considerations as it relates to Covid-19. You know, given our industry we're uniquely positioned to understand the devastating impacts of Covid-19 on some of the must vulnerable in our communities, and that's older adults. Considering our average claimant is in their early 80's, we anticipate this population -- we appreciate that this population is at high risk for contracting and suffering serious effects from the Corona virus. Genworth has implemented a comprehensive Covid-19 community outreach plan to assist the most challenged in our community. We have initiated outreach to the local nursing homes and assisted living facilities and created programs to respond to social isolation in our seniors. In addition, the Genworth Foundation has made contributions to safety net organizations in the communities in which we have offices, many of which provide care service to the elderly. At the global organization, Genworth has created and maintained this continuity plan across all of our business. And despite the changes we have made to our operations in light of Covid-19, careful planning has allowed us to continue to the operation of critical function, including policyholder administration and most importantly the payment of policyholder claims. We have also taken measures to extend grace periods for policyholders who face hardship paying their premiums, and we have been more flexible in accommodating unique situations for eligible claims while continuing the appropriate scrutiny to prevent fraud. Overall Genworth has observed that -- has observed what it believes to be a temporary decrease in new claims, potentially due to reluctance of insureds moving to facilities and receiving care outside of the home. Publically available information indicates that this an industry wide phenomenon. While the ongoing impact of Covid-19 is very difficult to predict, the relative outcome and impact for our long-term care business will depend on the length and severity of the pandemic and state of the economic recovery. It remains too early to tell how recent trends will impact long-term financial results. We continue to track business performance and perform sensitivity analysis to help refine our expectations. Long-term care is a very long-term product and we project premiums and claims over a 60 year period. Additionally the majority of Genworth's claims have historically been initiated in the home. At best in any given year, while tragic and in and of themselves are likely to -- are unlikely to have a material change in the overall projections in the future. Our number one goal is to ensure claims paying ability for all of our policyholders, and actuarially based premium rate increase or equivalent policy adjustments are an important component in our ability to do so over the life of the policies. As it relates to the specific rate increase request at this time, Genworth has issued the Flex 1 policies from November 2011 to September 2014 under policy form 7052 MD. We are seeking our first premium rate increase on this policy form in the amount of 63 -- I'm sorry, in the amount of 66.3 percent for all policies.

Acknowledging the Maryland regulation, Genworth would be willing to implement the requested increases over four years with no more than 15 percent in each year. This rate increase will impact approximately 3500 policies. Impacted policyholders have not received any prior rate increases. On the Flex 1 product, Genworth will continue to evaluate whether additional rate increase will be needed as experience continues to emerge. Genworth also issued certificates in Maryland through employer groups from December 2006 to March 2016 under policy form number 7046 MD and certificate form number 7046 CERT-MD. We are seeking the first rate increases on these certificate forms in the amount of 65.1 percent for all certificates. Acknowledging Maryland regulation, Genworth would be willing to implement the requested rate increases over four years with no more than 15 percent in each year. This rate increase would impact approximately 366 certificates in Maryland. Again, the impact of certificate holders have not received any prior rate increases. We continue to understand that rate increases are tremendous burdens for policyholders and certificate holders. We know this because we talk to our customers all the time. To support our policyholders and certificate holders we have a dedicated team of specially trained customer service representatives whose sole responsibility is to take calls related to rate increases. Our customer service representatives are ready and willing to help each policyholder and certificate holder understand their options so he or she can make the best decision and course of action for their individual situation. The vast majority of these conversations have led to options where the long-term care policy remains in place. We also have web sites that provide policyholders and certificate holders with helpful information on why rate increases are needed, the options that they have, the value of coverage, and also we have developed some frequently asked questions. We continue to offer policyholders and certificate holders, subject to rate increases, a variety of options. They may choose to pay the full amount of the rate increase and maintain the current level of protection, or instead of paying higher premiums, they may take benefit adjustments to find the right balance of affordability and protection for their current situation. Policyholder and certificate holders who no longer can afford or want to pay any future premiums, and who do not otherwise qualify for other options to maintain their policies while seeking to pay premiums, we voluntarily offer a non-forfeiture option equal to a paid up policy. And with this option the policyholders become plain eligible. Genworth will reimburse eligible claims up to the amount of premium paid minus any claims previously paid. And they will still have access to care coordination services that the company provides. From our overall nationwide experience based on rate increase we have implemented since 2012, even with a variety of options provided, we have seen approximately 64 percent of our policyholders choose to pay the higher premiums, which suggests they understand the value of the coverage that the long-term care insurance policy provides. I know that the comments today have demonstrated that Genworth actively manages our business to try to ensure that we will be here for policyholders and certificate holders when they need us most, to make sure that we are available to provide the answers they need and to pay eligible claims if and when those needs arise. To date Genworth has paid over 22 billion to our policyholders and certificate holders across nearly 300,000 claims for eligible long-term care benefits. We are committed to keeping those promises to our customers and paying all eligible claims, but again actuarially based rate increases or Flex 1 benefit adjustments are important components of our ability to do so over the life of these policies. Genworth is a unique position relative to other carriers with a material long-term care concentration. Almost 60 percent of our total reserves back long-term care liabilities, and that is projected to increase to approximately 70 percent by 2023. Any reserves are that released due to policyholder election, including elected terminations or reductions of benefits, are used to support the long-term care business. Recently this has included increasing reserves on this product due to changes in assumptions. Genworth does not anticipate using any capital or collected premium from anything -- for anything other than paying current and future long-term care health claims. The company has not contributed any dividends over the past three years to its parent company. The last dividend was paid in August 2015 in the amount of seven and a half billion to Genworth Holdings. Genworth Financial has publically informed its investors on multiple occasions that it assigns no value to Genworth Life Insurance Company. The management does anticipate Genworth Life Insurance Company will pay any future dividends to its parent company. Genworth is in the process of being acquired by China Oceanwide, a privately held company based in Beijing, China. Upon finalization of that acquisition, Genworth will operate as a stand-alone subsidiary of Oceanwide with our existing management team continuing to lead Genworth. Policies will be serviced the same as they are today. Customer information will be protected through the use of a third party service provider. So in conclusion, Genworth remains committed to working with the Maryland Insurance Administration to implement actuarially justified rate increases in a reasonable and responsible manner keeping in mind policyholder interest and concerns. Commissioner Birrane, Genworth appreciates the opportunity to participate in today's hearing and I'll be happy to answer any questions from you or members of your team.

MS. BIRRANE: Thank you, Ms. Arland for

that presentation. I personally do not have questions, but if there are members of the Office of the Chief Actuary who do.

MR. SWITZER: I do. This is Todd. Thank you, Ms. Arland. In looking at a couple of the filings and re-familiarizing myself with some of the details, one thing that came to the front was the investment income component and the expense component, it seemed again after a few samplings investment income represented over the life of the policy roughly -- well, expenses first, roughly about 22 percent of premium, and investment income about 46 percent of premium. Would you find that to be somewhat -- certainly there is a range on that -- representative in your estimation.

JAMALA ARLAND: A couple things that I would think about as it relates to expenses and investment income. As I mentioned, you know, from a company perspective, we are managing the company mostly for the benefit -- for the benefit of policyholders. So as we're earning interest on the reserves that are backing the liabilities, those contribute to the continued payment of current and future claims. As it relates to the specific percentages you are referencing, I don't have that on me at this moment but I can answer a question as it relates to how that may impact the rate increase request and how we consider that from the rate increase request perspective.

MR. SWITZER: I appreciate that. And just for more context, and we can pick up on this later, I know we have had conversations about 100 percent loss ratio bringing in two key components of claims and income. Just trying to bring the two other components of expenses and investment income to round out the picture. So I would appreciate that down the road. And my last question is related to the merger. I understand in the few weeks the next milestone date, November 30th, is predicated a bit on --

at least as of the last earnings call, as far as approvals needed, I understand that North Carolina has extended its approval to January 24th, so you're all set there. The last I heard is that you're still needing some -- the Delaware department to weigh in. Has there been any further developments or are you still needing some approvals and action from the Delaware department, please.

JAMALA ARLAND: As it relates to the status of the Delaware department on the approval, Delaware has approved the transaction and it has not expired. Once Oceanwide has final for the funding plan, we would need to confirm that the transaction may proceed under that existing approval. But based on our discussions we believe they will provide that confirmation.

MR. SWITZER: Thanks again.

MR. JI: This is Jeff. Ms. Arland, my question is the flex product looks fairly new, so my question is where were the original pricing assumptions from. And how do you insure updated assumptions are more actuarially sound.

JAMALA ARLAND: As it relates to the flex product, as I mentioned, that product, you know, was offered between November 2011 and September 2014 in Maryland. And, you know, looking back to the original pricing assumptions, some of the things where we saw, you know, some of the drivers of the rate increase, as I mentioned, you know, we're pulling information from relevant and similar products where we have seen actual claims experience emerge over the last few years, especially since 2010 where we've seen claims information double on products that were priced very similarly where we have pursued larger rate increases historically. And what we're trying to do here with the Flex 1 product series, as we're looking at the margin that was anticipated in the original pricing, that has -- we have exceeded that margin from adverse experience from the original pricing. And as we're looking at some of the experience on older blocks, things like claim cost driven by the incident and termination rate utilization, benefit utilization, that we have seen on more recent experience has deviated from what we had assume in the original pricing. So what we're trying to do is act proactively on this block to request increases early while policyholders are still young to make sure that we can hopefully prevent as much rate increases in the future. As we think about that block and maybe to tie your question to Todd's question about investment income, again, we at Genworth, we have talked to the department on several occasions about our overall block. You know, we're talking about these specific blocks, today the Flex 1 and the Genworth group. Thinking about it as a whole, several of our older blocks we manage those to loss ratios well over 100 percent, as Todd mentioned. For this block in particular, the Flex 1 in particular, we are trying to manage this block to have some level of profitability. And if you think about the overall portfolio of long-term care, it's probably not feasible to manage a company where all of our blocks have block ratios over 100 percent, meaning that we're paying more claims than premiums we collect across the board on all of our products. Because this block is a younger block, we're trying to manage it closer to the original profitability at a loss ratio of about 70 percent.

MR. JI: Thank you.

MR. ZIMMERMAN: I have one question. This is Adam Zimmerman. With regard to -- with regard to the opening comments that you had spoken about there potentially being a shift in care from nursing home care to at-home care, I was just wondering two things with regard to the Covid, Covid-19. I know you had mentioned it earlier in your commentary, but -- and, you know, six months of -- six months of this potential claims doesn't draw long-term conclusions, but there's -- is it safe to say there is an increased -- or shortened, for nursing home settings, like have you seen a shortened claim length due to deaths due to Covid. And secondly, has there been a shift at least that you're seeing to at home care. And if so based on historical experience, how does claim length for at-home care compare to, you know, a nursing home setting. You're on mute.

JAMALA ARLAND: I'm sorry, I was talking to myself. I'm sorry. As it relates -- my sound has been horrible, I truly apologize.

MS. BIRRANE: It's okay.

JAMALA ARLAND: As it relates to claim status, most of our claims do originate at home. And it varies by age. Some of our youngest claimants, about 90 percent of those claims start in the home versus at older ages, you know, maybe up to 60 percent of our claims we see happening in the home setting. Versus nursing homes, you know, that can vary from two to 10 percent of the places where we see care being received depending on age. So indeed we have kind of seen a shift towards maybe reluctant -- what we're assuming is reluctance of policyholders to start new claims, particularly in a nursing home setting, which unfortunately have been extremely horribly hit with Covid-19. But as it relates to our long-term trend, because we do see most of our claims in the home setting already, even with the transition to more claims being in home potentially in the future, we don't necessarily see that being a material shift to our trend, at least not at this time. Generally, although nursing claims tend to be shorter, shorter claims, so there is that aspect as you mentioned, nursing home claims due tend to be shorter than home care claims.

MR. ZIMMERMAN: Thank you.

JAMALA ARLAND: Did I answer all of your question.

MR. ZIMMERMAN: Yes. Thanks.

MS. BIRRANE: Any additional questions from the MIA staff? Hearing none, Ms. Arland, thank you very much. Thank you for your perseverance. We all appreciate the difficulty with technology, we've all been there. So thank you for today.

JAMALA ARLAND: Thank you.

MS. BIRRANE: And with that, let me move to -- we had a number of individuals who requested the opportunity to speak today. Some of them did provide written comments, which are available on our web site. But I'm going to go through the list and I'm just going to go in order in which the folks indicated that they wanted to be heard from. And I will call on people, give them the opportunity to speak. The first person is Don Roach. Mr. Roach. Excuse me. So Mr. Roach, are you available, would you like to speak today.

CRAIG EY: Commissioner, he may have called in. Let me unmute the callers real quick and then we'll see.

MS. BIRRANE: There is actually -- his name is actually displayed I believe.

CRAIG EY: Okay. Mr. Roach.

MS. BIRRANE: There is caller numbers but then Mr. Roach was at one point I thought I saw him on there.

CRAIG EY: Yeah, I don't see him now. But let me unmute the callers real quick.

MS. BIRRANE: Sure. For those of you who are call-ins, if you make sure your phones are on mute now that -- because you can do that individually to control your own mute function, except for Mr. Roach. So Mr. Roach, are you there.

CRAIG EY: Still going down the list here. Mr. Roach.

MS. BIRRANE: So I'm going to move on. But Mr. Roach if you're on the line and having difficulty, if you're able to type into the chat room that you still want to speak and that you're there, we will do our best to figure out a way to let you do so so we can hear from you.

CRAIG EY: Mr. Roach, can you hear us now. No, okay.

MS. BIRRANE: While we're waiting to see if Mr. Roach types into the chat and we can figure out a way to get him heard, let's move to Doctor John Taylor.

CRAIG EY: You're unmuted, Mr. Taylor. Doctor Taylor. Doctor Taylor?

MS. BIRRANE: I do see you here and you're not muted, but it's okay, you don't have to speak. We do have your comments. But if you do want to speak, this is your time. And if for some reason you can't be heard, there are technical difficulties, you can type into the chat room. The third person was Howard Benjamin. So is there a Howard Benjamin on the call who would like to speak.

CRAIG EY: All the phone lines are unmuted. So with Mr. Benjamin, he should be able to hear us.

MS. BIRRANE: And we do appreciate that people did send comments. And when they sent comments, we assumed that they would want to speak, so I'm calling everybody's name. But it's perfectly okay if you don't want to speak, we do have your comments. We read them, we take them seriously.

CRAIG EY: Commissioner, Doctor Taylor just commented that he just sent a chat and his computer audio is not working.

MS. BIRRANE: Doctor Taylor, if you would like to, you can move to your phone and we can hear from you by telephone, if that works. And Craig, maybe you could just type the number into the chat room. And as soon as we see you come on, you know, you can let us know. In the meantime, John DeChello. Would Mr. DeChello like to speak. You are on mute at the moment.

CRAIG EY: Let me unmute.

JOHN DECHELLO: Can you hear me now.

MS. BIRRANE: Is that Mr. DeChello.

JOHN DECHELLO: It is. I think everyone was having the same trouble I'm having, I couldn't get it to unmute. It was telling me the host had me on mute. I could not change it.

MS. BIRRANE: Well, we're happy to be able to hear you now. So, please, we would like to have the opportunity to hear what you would like to tell us today.

JOHN DECHELLO: Actually I would like to wait until I hear additional presentations before I offer my comments. So I would rather leave this for --

MS. BIRRANE: We'll see if there are any

additional consumers that wish to speak, but these are the only companies that are presenting today.

JOHN DECHELLO: Okay. I didn't realize that.

MS. BIRRANE: Yeah. These are the only companies whose rate increases are the subject of today's hearing. So both companies have already presented.

JOHN DECHELLO: Let me mention then that I have been having trouble getting the -- first of all a little background. We have had associations, I think now, five different insurance companies giving long-term health care in Maryland for three of us. Only one of these policies has used, and then not totally, even though that was a policy we -- several things policy. The rest of them have ever been accessed here. We are not able to establish with all but one of the companies, but the class is -- when we talk to them, they are willing to tell us information on the phone but they are not willing to document it. So we have been around now and actually approached this administration on one occasion, but it has been years now trying to deal with the changes in my policies. And I realize I can't talk about others, but this is a general problem we have. We have Genworth policies. That was one of the companies -- that is one of the companies that have never asked us -- but I was listening today to hear to see what other individuals. I do have a question with regards to Genworth. That is are they still selling LTC. But the main problem I'm having with the insurance companies themselves, they refuse to document what -- in some cases, most cases, they refuse to document what classification they have on their policies. And the reason that's relevant, they seem to be changing the definition of the classification over what it was when we bought the insurance.

MS. BIRRANE: Okay. Well, I appreciate those comments from you, Mr. DeChello. One thing that I would say to you and everybody else on the call is if there are circumstances where you are trying to get information from your insurer, and you are not getting the information that you need, that is what the Maryland Insurance Administration is here for. So you can always contact us through our complaint system and let us know that there's information that you've requested, that -- that has not been provided to you and we'll assist you in getting that information from the carrier.

JOHN DECHELLO: Okay. Well -- I'm sorry, are you done.

MS. BIRRANE: Yeah, I was just going to say, you know, obviously there are things -- there is types of information that's specific to your policy or to your, you know, claim if there is a claim, but we would be very happy to help you if you're not getting responses to your questions about your insurance policies.

JOHN DECHELLO: From the Internet I find this is a very common problem and actually felt -- policyholders read reports. That's one of the reasons I --

MS. BIRRANE: You're fading out a little bit so I didn't hear that last comment.

JOHN DECHELLO: That is one of the reasons I'm very concerned because we have seen what we have been told when we bought the policies what is on the contract as being the classification has evolved into other definitions and has been practiced and used with other. So I get very concerned that this sort of thing is report -- insurance companies, including one of the insurance companies that -- in addition to that, I did submit a question in this regard to the administration, got a response, but it was a very detailed response and never approached at all the topic class. It was a lot of actuarial data. Why the increase rates were being -- so I didn't expect an answer in this regard but I'm very frustrated because there are different rates being approved by the State of Maryland for the same designation, which I have been told orally of this classification. And obviously we're on the end -- which is rather interesting because we have never filed claims that were being classified differently than people apparently -- at least some of the filings. So, again, I'm not so interested in being specific because I see this is a general problem where other people have actually taken this to court and fought. I don't see that as an appropriate alternative, particularly if I were to die and my wife were to say -- take care of these -- I'm trying to straighten this out at least as far as our policy. But I think it's a general issue. In fact to some extent I know it's a general issue.

MS. BIRRANE: Well, I appreciate that and thank you for bringing that to our attention.

MR. SWITZER: And if I could add, please. This is Todd from the actuary's office. Mr. DeChello, we have corresponded before and I have your e-mail. Could I follow up with you so that we can zero in on your specific question.

JOHN DECHELLO: Yes, I would be delighted. And the reason I didn't get back to you, Todd, is I thought I had to go back to the insurance companies themselves and try to get something in writing. But frankly I think you sent me some information about a year ago, maybe two years ago.

MR. SWITZER: Right.

JOHN DECHELLO: We have been back and forth with the companies trying to get things in writing. And in terms of how they communicate, all of them as far as I can tell no longer have a chat. They have telephone numbers and you can't get a transcript of it.

And there are people who will tell you on the phone what they consider to be the classification but they are unwilling to give you any document. So the last thing I'm trying to do before I got back to you was to file a complaint with the insurance company, at least one of them, and try to get something in writing that way before I approached you. But I wanted to take this opportunity, because as I say, two of our policies are Genworth. And I think Genworth, as far as I can tell -- well, let me say that I think Genworth is in about as good a position as any of the insurance companies out there. I could list all the insurance companies for which some of whom we have bought long-term care for our families. And we have a huge investment in this. And you might imagine, you probably know as well. And now we're going to another almost 50 percent increase, 60 percent increase. So considerably more than we anticipated. We're very reluctant to give up the insurance, but at the same time I'm not sure that -- it seems to me also unbelievable that we have contracts in which the word is class -- are you still there.

MS. BIRRANE: We are still here.

JOHN DECHELLO: Okay. I lost my picture. We have audio, that's important. We have two -- we have two policies in which on the first page they use the word classification. They have eight pages of definitions. The term class is never defined in the entire policy. And when I call the insurance company, they say it is defined. And I ask what the definition is. They give me the definition and I ask for it in writing and they say. So that's the kind of response we're getting. And your communication unfortunately didn't address explicitly this issue. And you address instead why the actuary data justifies the increase in price. It doesn't -- it did not address why they were allowed to apply different increases to different people, different policies, even though they had what appears to be the same class.

MS. BIRRANE: So what I would suggest, Mr. DeChello, is as Todd has indicated, let's follow-up off line so we can get a little bit more information and a little bit more detail. Thank you for bringing the issue up here. And since you've been in communication with Todd, he will follow up with you.

JOHN DECHELLO: Okay. Does he need any information from me. Should I give him my phone number on the chat or something like that.

MS. BIRRANE: Todd, do you have Mr. DeChello's contact information.

MR. SWITZER: I know for sure I have your e-mail. I'm not sure if I have your phone number, but I'll start with e-mail if that's okay.

MS. BIRRANE: We have the phone number

that you put into our system when you -- you know, you gave us your comments, so we do have that phone number. It ends in the number 68. Is that you.

JOHN DECHELLO: Yes. Okay. And I want to emphasize to Todd that it wasn't that I didn't think I had gotten a response. And I would get back to him, I felt, when I had more substantial data. It's only been in the last year I have moved absolutely not one square in terms of getting anything in writing.

MS. BIRRANE: Sure. We understand. And Todd will follow up. So thank you.

JOHN DECHELLO: I appreciate it. Thank you. By the way, I think this is a great way to communicate.

MS. BIRRANE: Good. I'm glad.

JOHN DECHELLO: One last comment. I hope the parameters that are being attached to the approvals are going to be transmitted to us policies. Because communications I'm getting up until now only specify what the rate increase -- now I see on the information you're providing that in many cases that's -- that's an approval subject over a period of several years. And up until now at least the insurance companies have not been providing anything. So if the rate is dependent on, for example, after one year or three years there will be no increase in premiums, which is one of the options being approved, then I think the insurance companies, when they notify the policyholder, should say that this is your rate increase now and then starting next year for tens years there will be none. Because that's important information that has not been transmitted to me. I'll stop there. Thank you.

MS. BIRRANE: Great. Thank you very much. I think we heard from Doctor Taylor that he is comfortable with the materials that he's already provided and isn't going to speak today. So we do thank you for that submission, Doctor Taylor. And Kathy Quatrone. Ms. Quatrone, would you like to speak today. I'll go back to John Roach just to give him one more opportunity. And Howard Benjamin. Okay. The last person who indicated that they wanted to be heard today was a Ms. Sylvia Rams. She submitted an e-mail which we're going to read for her. She is not a policyholder with respect to any of the policies or the carriers that are the subject of today's hearing but she did have an overarching comment that she wanted to get on the record. So Jeff Ji has kindly agreed to read her e-mail. If you would do that Jeff, that would be great. Thank you.

MR. JI: Okay. This is Jeff Ji. Actually Ms. Ram, she has a policy with Mass Mutual. Massachusetts Mutual Life Insurance Company. So her comment is I'm going to read that. "I am a 82 year old senior who still has to work full-time to be able to pay for all medical products that I need, including $352 per month for long-term care, along with numerous seniors. I have had this coverage for many years. Prior to my present coverage, I paid for 20 years to a company that went bankrupt and left me in my late 50's having to take out new coverage, and of course at that age it was more expensive. If you choose to raise our rates, many of us will have to start eating fast food for us because we won't be able to afford what is here. Some of us will have to relocate because we won't be able to afford where we live now and have to go to the State for subsidizing -- subsidized living. I don't sleep at night along with many of my friends who are in the same condition worried about what will happen to us if you choose to raise the rates. I have worked since I was 16 years old and paid for my older age. You will make whatever time we have left into a nightmare. So, please, please, do not raise our rates.

Thanking you in anticipation that you will take care of us senior citizens and not raise rates." That's it. Thank you.

MS. BIRRANE: So thank you, Mr. Ji, for doing that. I would -- in the event that she is on line just to make it clear that there are no rate requests increases that are -- we're reviewing today in this hearing with regard to that particular carrier. So I just wanted to underscore that. And I do also want to underscore that the insurance administration does take to heart what consumers say and obviously considers, you know, the whole picture including the impact of rate increases on consumers, as well as the needs -- the solvency needs of the companies. So we do appreciate Ms. Ram's remarks and, you know, we're empathetic to her fears and we are mindful of them, hers and all seniors who are relying on this product. So I thank her for her comments today. Is there anybody else who is on the line today who did not sign up to testify or to make comments who would like the opportunity to do so. If so, can you just -- I'm just going to give you a minute to put your name into the chat feature so that Mr. Ey can unmute you, give you the opportunity to speak.

MARK GAUGE: I would like to speak but I'm not on the online, only on the phone.

MS. BIRRANE: That's okay. What's your name, please.

MARK GAUGE: Mark Gauge.

MS. BIRRANE: Sure, Mr. Gauge, we're happy to hear from you.

MARK GAUGE: Yes, I'm an insurance broker in Maryland and have been doing long-term care insurance for 34 years. And my only recommendation as you look at rate increases that continue to come at us every year is that we try to find a way to guarantee the insureds a little bit better stability and rather than having them be able to come back to the well with consistency that we seem to see. I get calls regularly from clients similar to the letter that you just read, and it's, you know, very disturbing. I think, you know, if we can do a rate increase approval to lock down the business and solidify it, that makes sense, but we need to be able to tell our clients in confidence that this isn't going to happen again in five years or seven years or ten years. They are trying to make informed decisions, you know, that's going to affect them during the life of their retirement. So, you know, in the beginning of your presentation you talked about one of the carriers in the marketplace had come to you and guaranteed that they wouldn't come back to the well again. And so as you're looking at the request, particularly with Genworth, and other carriers that may be coming in next year, I think we ought to look to that type of a model of give us your actuarial sound reasons why this needs to happen to grow the block of business and then cease the ability to have that rate increase occur again in the future. Thank you.

MS. BIRRANE: So Todd, do you want to address that because that certainly does go to the heart, I think, of the philosophy of your group and the MIA in terms of how we try to navigate company needs, long-term, transparency for consumers while at the same time addressing the cap in the regulation.

MR. SWITZER: Right. Thank you very much, Mr. Gauge, and we welcome your input and your expertise here or subsequent to this call at any time. As Adam said and you said, I just want to accentuate, with increased frequency of late we engaged with the company about making the policy non-cancelable, just to make sure everybody is using the same vernacular, meaning once this increase is in, guaranteeing no more after that for the life of the policy. As Adam said, one policy agreed to that. We have had others that have agreed to three years, five years, seven years, one company at ten years. So we keep advocating for that and working with the companies as much as we can and -- and we will continue on that front. Some other things that we have looked at I think that in the same vain as you're bringing up are some exemptions. I mean most of the -- in most cases the problem is skewed toward the unlimited benefits, the inflation, five percent compound. And as for the ones that have no inflation, for example, to be exempted out or two year benefits to be exempted out, or certain long elimination periods to be exempted out, or issue ages to be exempted out. So a lot -- many, many carriers have worked with us to varying degrees to explore every option at our disposal to provide certainty and to -- and relief for those where the problem is not the prime source while having a holistic view too. Those are some of the things that came to mind. It's not exhaustive, I'd be happy to talk about them further, but to give you a flavor.

MARK GAUGE: Again, I appreciate you trying to be creative. It's just when you're dealing with clients that are maybe in their 60's now that could conceivably live another 40 years, to have no assurances at all that we're not going to have another 50 to 70 percent rate increase ten years further into their retirement on top of the 50 percent rate increases now doesn't do much. And the insurance companies obviously actuarially screwed up with the five percent compounding interest and what that was going to do to that bucket of money that became available and now is being spent. I think that the clients that bought that were concerned about, you know, inflation and the cost of what they needed to, you know, pay the claims when they reached the claims. And for them to be penalized because the actuaries on the insurance company sides didn't understand that well enough, I guess, is, you know, hard it swallow, hard to explain to a client why they should be penalized now because they had forethought then.

MS. BIRRANE: I think we all appreciate that concern. And as you know it's a balancing act between that and keeping companies solvent.

MARK GAUGE: Yes.

MR. SWITZER: And some companies have, of their own volition, agreed to lifetime loss ratios as high as 120 percent. And we have appreciated that and tried to strike that balance all things considered.

MARK GAUGE: Yeah, I just -- you wonder where the end is. Because, you know, they first came to us and said, well, we got persistency wrong, we thought it was going to be 88 percent and it's more like 98 percent. Then they said, well, we got claims wrong and morbidity wrong and we missed some of these things and we didn't deal with dementia and the fact that that was going to be underwritten right. And now we're -- well, we have to have a claim incase because didn't anticipate low interest rate environments for as low as they have been in the last few years. There shouldn't be many more moving pieces left. So you think we should be able to structure rate increases that are going to be done at this point. You would think over the next 30 years interest rates would start to come back. My guess is if they do, we're not going to see insurance companies lowering those premiums that are going to get locked in because of the interest rate environment we're in now. I just would like to see some stability. I would like to be able to turn to clients in confidence and say, yes, Maryland increased the rates, but if you agree to pay this, that's it, this is high as they are going to be able to go. And I would encourage you to continue to push along those lines. I'm also frustrated that years ago we set the 15 percent bar in allowing insurance companies not to have to go through this process if they are willing to just hold a 15 percent rate increase every year. You got somebody in their 60's or 70's and they are going to have a 15 percent bump-up every single year for the rest of their life conceivably, that's not real comforting either.

MR. SWITZER: Understood. And we're also looking to -- anywhere we can, including other states, for the best ideas.

MARK GAUGE: Well, if you would like to have an additional conversation down the road, I think you've got my e-mail from previous interactions.

MS. BIRRANE: Absolutely. Always happy and open to those discussions.

MARK GAUGE: Thank you.

MS. BIRRANE: Thank you very much. Is there anybody else who is on the call-in line who would like to be heard today. All right.

Going once, going twice. I don't see anybody new in the chat function and we haven't heard from anyone. I'm going to assume that everyone who wants to be heard today, whose equipment is functioning, has been heard. I again remind people that we will keep this record open, so if there are additional comments that you want to make, the record is open through November 25th, which is a week I believe from today. Yup. So I want to thank everybody from the companies but also from the consumers who spoke today. Your comments are very important to us. They do make a difference. And, again, you have our contact information if you need it. If you're looking for a copy of the transcript of today's proceedings or to watch the video or the audio again, you can go on to the MIA's web site and if you look at links and you click under long-term care, you'll be able to access that. So with that, thank you to my team and my staff. And I hope everybody has a great afternoon. Remember to wear your mask, wash your hands, watch your distance. Stay safe. Thank you. Bye-bye.

(Hearing concluded at 1:30 p.m.)

STATE OF MARYLAND

I, David Corbin, a Notary Public in and for the State of Maryland, do hereby certify that the within named, MIA LTC RATE HEARING, remotely appeared before me at the time and place herein set according to law.

I further certify that the hearing was recorded stenographically by me and then transcribed from my stenographic notes to the within printed matter by means of computer-assisted transcription in a true and accurate manner.

I further certify that the stipulations contained herein were entered into by counsel in my presence.

I further certify that I am not of counsel to any of the parties, not an employee of counsel, nor related to any of the parties, nor in any way interested in the outcome of this action.

AS WITNESS my hand and Notarial Seal this 30th day of November, 2020, at Centerville, Maryland.

David C. Corbin
Notary Public

My commission expires November 13, 2023