Sample Annual Actuarial Certification
for
Existing Long-Term Care Insurance Premium Rate Schedule
In Accordance with Section 15 of the NAIC Model Regulation
For a Product(s) that is Not Being Marketed

(For an actuary who is an insurer employee)

I, [name of actuary], am [title] of [name of insurer] and a member of the American Academy of Actuaries. I meet the Academy’s qualification standards for rendering this opinion and am familiar with the requirements for filing and reviewing long-term care insurance premiums.

In my opinion

{the premium rate schedule(s) [is/are] sufficient to cover anticipated costs under moderately adverse experience and the premium rate schedule(s) are sustainable over the life of the [form/forms] with no future premium increases anticipated. Based on my review of recent experience of the policies involved through [year-end applicable], in my opinion the premiums contain future margins equal to or greater than those originally filed.}

{the premium rate schedule(s) [is/are] not sufficient to cover anticipated costs under moderately adverse experience and the premium rate schedule(s) may not be sustainable over the life of the [form/forms] with no future premium increases anticipated. Based on my review of recent experience of the policies involved through [year-end applicable], in my opinion the premiums contain some margin but not the future margins equal to or greater than those originally filed.}

{the premium rate schedule(s) [is/are] not sufficient to cover anticipated costs under moderately adverse experience and the premium rate schedule(s) is not sustainable over the life of the [form/forms] with no future premium increases anticipated. Based on my review of recent experience of the policies involved through [year-end applicable], in my opinion the premiums contain no future margin.}

In forming my opinion, I have used actuarial assumptions and actuarial methods and such tests of the actuarial calculations as I considered necessary. Actuarial assumptions are [provided/available] in a separate actuarial memorandum.

Except where the first When the last opinion language is used, the certification should include the fact of and date when the appropriate officer of the company was notified with respect to the need for the company to develop and implement a plan of action to re-establish adequate margins, such as:

I have made my opinion known to ________, the ________ in charge of Long-Term Care Insurance operations for _____ on _____.

[Signature of Actuary]

[Name of Actuary (typed or written)]

[Address of Actuary]

[Telephone Number of Actuary]

[Date of Certification]