



**FILED**

MAR 17 2023

INSURANCE REGULATION  
Docketed by: OS

**OFFICE OF INSURANCE REGULATION**

**MICHAEL YAWORSKY**  
COMMISSIONER

IN THE MATTER OF:

CASE NO.: 305514-23- CO

MUTUAL OF OMAHA INSURANCE COMPANY

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CONSENT ORDER

THIS CAUSE came on for consideration as a result of a rate filing submitted to the FLORIDA OFFICE OF INSURANCE REGULATION (“OFFICE”) by MUTUAL OF OMAHA INSURANCE COMPANY (“MUTUAL OF OMAHA” or “company”). Following a complete review of the entire record, and upon consideration thereof, and being otherwise fully advised in the premises, the OFFICE hereby finds as follows:

1. The OFFICE has jurisdiction over the subject matter of and the parties to this proceeding.
2. MUTUAL OF OMAHA is a foreign insurer domiciled in Nebraska, authorized to transact life and health insurance business in Florida, and subject to regulation by the OFFICE pursuant to the Florida Insurance Code and Florida Administrative Code.
3. MUTUAL OF OMAHA has submitted a filing for a rate increase on certain long-term care policy forms underwritten by the company.
4. Based upon the OFFICE’s review of MUTUAL OF OMAHA’s proposed long-term care rate schedules as filed in Florida file log number FLR 21-028267, the OFFICE has determined that the company’s proposed premium rates have not been adequately demonstrated

to be reasonable in relation to the benefits provided as required by Section 627.410, Florida Statutes, and Rule Chapter 69O-149, Florida Administrative Code. However, the OFFICE has determined that some rate increase is necessary in order for MUTUAL OF OMAHA to have adequate rates and protect the interests of its policyholders.

5. In order to resolve this issue, and in the aim of bringing consumer clarity to all current MUTUAL OF OMAHA long-term care policyholders, the OFFICE, subject to the limitations and restrictions stated below, approves rate increases as outlined in paragraphs 6 through 16, below.

6. MUTUAL OF OMAHA agrees to be subject to the following terms and conditions with respect to the LTC04I inflation and non-inflation forms on its Comprehensive Block:

a. The company or representatives of the company shall not request or apply for any further rate increase on the policies at issue in file log number FLR 21-028267 for a period of 3 years;

b. The rate increase shall be implemented over a period of 3 years. The first increment shall be imposed beginning at least 45 days after the date of approval, with the following two increments imposed thereafter on or after the anniversary date of the prior year's increase, but in no event will any policyholder receive more than one rate increase within a twelve-month (consecutive) period;

c. The amount of the rate increase will also take into account the issue age of the policyholder and the type of policy form held by each policyholder. The increases will be implemented according to the following table:

**LTC04I**

	<b>Inflation</b>	<b>Non-Inflation</b>
<b>Issue Age</b>	<b>Rate Increase</b>	<b>Rate Increase</b>
0-39	96%	54%
40-44	96%	54%
45-49	96%	54%
50-54	96%	54%
55-59	96%	54%
60-64	96%	54%
65-69	95%	54%
70-74	88%	51%
75-79	0%	16%
<b>Total</b>	<b>95.3%</b>	<b>50.6%</b>

7. MUTUAL OF OMAHA further agrees to provide the following options to policyholders on the LTC04I Inflation and Non-Inflation forms on its Comprehensive Block who would like to lower premium costs:

- a. Accepting a reduction in the daily benefit provided by the policy, if not already at a minimum;
- b. Accepting an increased elimination period under the policy, if not already at a maximum. This option would increase the policyholder's initial out of pocket cost before the policy begins to provide benefits;
- c. Accepting a reduction or removal of the inflation factor (compound or simple) provided under the policy. This option would freeze the policyholder's daily benefit amount at the currently inflated level, and alter or remove future inflation protection;
- d. Accepting a paid-up policy with maximum benefits equal to the premium paid less any claims paid. This option would exempt the policyholder from making any future

premium payments. Any optional riders will terminate, and no future inflation adjustments will be made. All other policy provisions, other than the maximum benefit, would remain unchanged.

8. MUTUAL OF OMAHA agrees to be subject to the following terms and conditions with respect to the LTC04G, Inflation and Non-Inflation forms on its Comprehensive Block:

a. The company or representatives of the company shall not request or apply for any further rate increase on the policies at issue in file log number 21-028267 for a period of 3 years;

b. The rate increase shall be implemented over a period of 3 years. The first increment shall be imposed beginning at least 45 days after the date of approval, with the following two increments imposed thereafter on or after the anniversary date of the prior year's increase, but in no event will any policyholder receive more than one rate increase within a twelve-month (consecutive) period;

c. The amount of the rate increase will also take into account the issue age of the policyholder and the type of policy form held by each policyholder. The increases will be implemented according to the following table:

LTC04G		
	Inflation	Non-Inflation
Issue Age	Rate Increase	Rate Increase
0-39	100%	51%
40-44	100%	51%
45-49	100%	51%
50-54	100%	51%
55-59	100%	51%
60-64	100%	51%
65-69	100%	51%
70-74	94%	51%
75-79	0%	0%
Total	99.7%	51.1%

9. MUTUAL OF OMAHA further agrees to provide the following options to policyholders on the LTC04G, Inflation and Non-Inflation forms on its Comprehensive Block who would like to lower premium costs:

- a. Accepting a reduction in the daily benefit provided by the policy, if not already at a minimum;
- b. Accepting an increased elimination period under the policy, if not already at a maximum. This option would increase the policyholder's initial out of pocket cost before the policy begins to provide benefits;
- c. Accepting a reduction or removal of the inflation factor (compound or simple) provided under the policy. This option would freeze the policyholder's daily benefit amount at the currently inflated level, and alter or remove future inflation protection;
- d. Accepting a paid-up policy with maximum benefits equal to the premium paid less any claims paid. This option would exempt the policyholder from making any future premium

payments. Any optional riders will terminate, and no future inflation adjustments will be made. All other policy provisions, other than the maximum benefit, would remain unchanged.

10. MUTUAL OF OMAHA agrees to be subject to the following terms and conditions with respect to the LTC09M Inflation and Non-Inflation forms on its Comprehensive Block:

a. The company or representatives of the company shall not request or apply for any further rate increase on the policies at issue in file log number 21-028267 for a period of 3 years;

b. The rate increase shall be implemented over a period of 3 years. The first increment shall be imposed beginning at least 45 days after the date of approval, with the following two increments imposed thereafter on or after the anniversary date of the prior year's increase, but in no event will any policyholder receive more than one rate increase within a twelve-month (consecutive) period;

c. The amount of the rate increase will also take into account the issue age of the policyholder and the type of policy form held by each policyholder. The increases will be implemented according to the following table:

**LTC09M**

	<b>Inflation</b>	<b>Non-Inflation</b>
<b>Issue Age</b>	<b>Rate Increase</b>	<b>Rate Increase</b>
0-39	81%	40%
40-44	78%	40%
45-49	80%	40%
50-54	81%	40%
55-59	81%	40%
60-64	81%	40%
65-69	79%	40%
70-74	62%	40%
75-79	6%	6%
<b>Total</b>	<b>79.4%</b>	<b>37.6%</b>

11. MUTUAL OF OMAHA further agrees to provide the following options to policyholders on the LTC09M Inflation and Non-Inflation forms on its Comprehensive Block who would like to lower premium costs:

a. Accepting a reduction in the daily benefit provided by the policy, if not already at a minimum;

b. Accepting an increased elimination period under the policy, if not already at a maximum. This option would increase the policyholder's initial out of pocket cost before the policy begins to provide benefits;

c. Accepting a reduction or removal of the inflation factor (compound or simple) provided under the policy. This option would freeze the policyholder's daily benefit amount at the currently inflated level, and alter or remove future inflation protection;

d. Accepting a paid-up policy with maximum benefits equal to the premium paid less any claims paid. This option would exempt the policyholder from making any future premium payments. Any optional riders will terminate, and no future inflation adjustments will be made. All other policy provisions, other than the maximum benefit, would remain unchanged.

12. MUTUAL OF OMAHA acknowledges and agrees that all representations and requirements set forth herein are material to the issuance of this Consent Order. Violation of any provision of this Consent Order shall constitute a violation of a lawful order of the OFFICE and may subject MUTUAL OF OMAHA to one or more of the administrative remedies available under the Florida Insurance Code or other applicable law.

13. MUTUAL OF OMAHA expressly waives a hearing in this matter, the making of findings of fact and conclusions of law by the OFFICE, and all further and other proceedings herein to which it may be entitled by law or rules of the OFFICE. MUTUAL OF OMAHA hereby knowingly and voluntarily waives all rights to challenge or to contest this Consent Order in any forum available to it, now or in the future, including the right to any administrative proceeding, state or federal court action, or any appeal.

14. MUTUAL OF OMAHA expressly agrees that this Consent Order shall be binding on the company and any successor in interest. MUTUAL OF OMAHA further agrees to notify any successors in interest that this Consent Order is in force.

15. Each party to this action shall bear its own costs and fees.

16. The parties agree that this Consent Order shall be deemed to be executed when the OFFICE has signed and docketed a copy of this Consent Order bearing the signature of the authorized representative of MUTUAL OF OMAHA, notwithstanding the fact that the copy



may have been transmitted to the OFFICE electronically. MUTUAL OF OMAHA agrees that the signature of its authorized representative as affixed to this Consent Order shall be under the seal of a Notary Public.

WHEREFORE, the agreement between MUTUAL OF OMAHA INSURANCE COMPANY and the FLORIDA OFFICE OF INSURANCE REGULATION, the terms and conditions of which are set forth above, is APPROVED.

FURTHER, all terms and conditions contained herein are hereby ORDERED.

DONE and ORDERED this 17<sup>th</sup> day of March, 2023.



A handwritten signature in blue ink, appearing to read "Michael Yaworsky". The signature is written in a cursive style and is positioned above a horizontal line.

Michael Yaworsky  
Commissioner  
Office of Insurance Regulation

By execution hereof, MUTUAL OF OMAHA INSURANCE COMPANY consents to entry of this Consent Order, agrees without reservation to all of the above terms and conditions, and shall be bound by all provisions herein. The undersigned represents that they have the authority to bind MUTUAL OF OMAHA INSURANCE COMPANY to the terms and conditions of this Consent Order.

MUTUAL OF OMAHA INSURANCE COMPANY

(Corporate Seal)

By: Mary Swanson

Print Name: Mary Swanson

Title: VP and Actuary, DI-LTC-Oth Hlth Prod Perf

Date: March 14, 2023

STATE OF NEBRASKA

COUNTY OF DOUGLAS

The foregoing instrument was acknowledged before me by means of  physical presence

or  online notarization, this 14th day of March 2023,  
by Mary Swanson

(name of person)

as VP and Actuary, DI-LTC-Oth Hlth Prod Perf for Mutual of Omaha  
(type of authority; e.g., officer, trustee, attorney in fact) (company name)

Melissa Foldenauer  
Notary

Melissa Foldenauer  
(Print, Type or Stamp Commissioned Name of Notary)

Personally Known  OR Produced Identification

Type of Identification Produced \_\_\_\_\_

My Commission Expires: July 3, 2026

E06A120A-5304-4F63-8DFA-E329D43ADCF4 - 2023/03/14 16:39:10 -8:00 --- Remote Notary



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