

OIC Rules Coordinator

From: VERNON SCHRAG [REDACTED]
Sent: Wednesday, November 13, 2024 1:24 PM
To: OIC Rules Coordinator
Cc: Greening, Phoebe (LEG); Solano, Robert (OIC)
Subject: Premium change transparency (R 2024-07) WA OIC Public Comment - LTC Global Market Intelligence - S&P Report Long Term Care Price Increases

Follow Up Flag: Follow up
Flag Status: Flagged

External Email

Dear WA OIC Rules: Below is similar to our OIC WA State LTC 2021-2024 premium increase-practices with direct harm to WA LTC Consumers. **Public Comment for (R 2024-07) Review**

PUBLIC COMMENT: Documentation facts and data on LTC Premium Pricing 2021-2023 Source: **S&P Global Market Intelligence** (quote)

.... "In total, John Hancock received approval to raise its long-term care, or LTC, rates in **at least 10 states** during the third quarter.

All told, those increases could boost the insurer's annual premiums by \$35.1 million.

Genworth Financial Inc.'s calculated annual premium increase of \$62.5 million was the biggest aggregate total for the third quarter. The most impactful filing for the largest U.S. LTC provider occurred in Nebraska, where calculated annual premiums are expected to rise by \$11.1 million on an **average approved rate increase of 68.5%**.

.... The rate hike will be **implemented over a three-year period** and impacts Genworth's Choice 2 and 2.1 policy series.

Quote: "Nebraska Department of Insurance considers this approval an ... "end game increase" and said it would not consider any more increases "without deterioration in experience that results in a higher projected future loss ratio" than is currently forecast.

Please confirm receipt and set these multi-years LTC premium files on your OFFICIAL OIC REVIEW AGENDA for Public Meetings.

Regards, Vernon Dwight Schrag

[REDACTED]

cc: Phoebe Greening

Repr. Amy Walen Staff- Olympia, WA

OIC Rules Coordinator

From: VERNON SCHRAG [REDACTED]
Sent: Tuesday, November 19, 2024 2:41 PM
To: OIC Rules Coordinator; Walker, Michael (OIC)
Cc: Greening, Phoebe (LEG); Kuderer, Patty (LEG)
Subject: PREMIUM CHANGE TRANSPARENCY (R 2024-07) - Public Comments

External Email

Dear OIC Rules,

cc: Phoebe Greening - WA Legislature & OIC Commissioner-Elect Patty Kuderer

Please add the following Public Comment regarding proposed Rulemaking; and post these recommendations for **R 2024-07 Public Hearings** on the matters below:

11-19-2024 (QUOTE)

RE: Ongoing/Active Consumer Protection Complaint Files - Public Record Files with WA-OIC Rulemaking for WA State Long Term Care Insurance Policies issued in WA State per DFI (RCW 34.05.330 OFM) Policymaking.

On January 7, 2024 I'd previously submitted a proposed 2024 Rules Change to protect elderly LTC Policyholders (sent to Representative Walen).

ALSO - Please forward these comments to appropriate Legal Counsel Staff and Analysts on the House Consumer Protection & Business Committee.

I'm a retired U.S. Army Combat Veteran/Disabled and my spouse is also disabled. We are both in our age 80's and both are Genworth LTC policyholders in WA State.

We previously submitted our OIC Rules Request on January 27, 2024 as per below. However, NO CORRECTIVE actions were taken. NOTE:

Lack of oversight and legal review by rule-makers of WA State. Failure to assess the financial impacts on Homecare and Nursing Home Care patients and providers. Lack of Audits to obtain necessary financial data, legal violations against Consumers; and attempts (typically annually) by LTC Insurance issuers e.g. GLIC-Genworth to defraud and harm elderly policyholders of their rights. WA State Law enables such fraudulent and unethical actions to take place. See Schrag Case File #1719022 (Dec. 2023).

Additionally, we'd taken further steps for adding essential, practical and important steps to aid OIC-Rulemaking along with WA State House & Senate Committee deliberations and Implementation for Rules Changes and Consumer Protections during 2024-2025 on these matters.

Each action, per list below has also/additionally FOR PUBLIC RECORD been provided to **WA-OIC**

Analyst-Rulemaking; and to Marta DeLeon - Assistant Attorney General Counsel to the Office of the Insurance Commissioner in Olympia, WA.

Please add the following Rulemaking Action Steps Proposed for WA-OIC to Protect WA LTC Policyholders:

Petition for Legislative Action Adoption, Amendment or Repeal

WA STATE LONG TERM CARE RULEMAKING STEPS

2024 Priority Action Steps Legislative Code Adoption & Transparency

1. ***Adopt Best Practices of Leading State Regulators***
2. ***Develop WA Plan & Utilize the Best Practices Guidelines***
3. ***Seek Input NAIC - National Association of Commissioners***
4. ***Assign a Regulatory Oversight Team to Address Failures***
5. ***Conduct Regulatory Transparency Hearings for WA LTC***
6. ***Notify Federal Court Officials & Seek Legal Review Model***
7. ***Assess WA State 2022 OIC Insurance Transparency Learning's Obtained from Consumers and Corporations***
8. ***Independent Review of Federal Class Action Settlements reached with Genworth LTC in 2022/2023 Timeframe***
9. ***Request Sworn Testimony for Schrag-Complaint File Submittals to WA-OIC and WA AGO (all Public Records)***
10. ***Take Legal Action at State Level to Fully Implement Above Actions in 2024 LTC-OIC Price-Increase Approvals***

Feel free to call with any questions or Legal followup.

Thank you. Pass it on. **FILING FOR PUBLIC RECORD**

Sincerely,
Vernon D. Schrag

[REDACTED]

To: Rules Coordinator@ oic.wa.gov

December 19, 2024

**Subject: WA State LTC Rulemaking Testimony-Records Documentation
Re: Premium change transparency (R 2024-07)**

From: Vernon D. Schrag

SITUATION:

My Spouse and I hold a JOINT LTC Policy with GLIC Genworth in Virginia that was sold to us in WA State, 1999 by former GE Capital Insurance. Insurance Sales Agent Julie Gray in Bellevue WA represents Genworth for our LTC Policy and Claims. Julie is retired so is ill-prepared/unavailable as our GLIC Agent.

Now at our ages 81 and 82, both of us with disabilities, we need to keep our LTC Policy in force. As a disabled U.S. Army Veteran I fully expect cooperation from WA-OIC in alignment with WDVA-Olympia to protect our Health/LTC policy benefits. We're seeking WA-OIC State Legislative actions to protect us.

WA Seniors and Residents like us continue to get 30% (Annual) reoccurring price increases for our Genworth Policy. This is untenable and unsustainable for 2025-26.

To-date, by greatly reducing our 2024 coverage we've salvaged our remaining LTC plan. However, we've paid far more and retained fewer benefits. Costs for Homecare, Nursing Care and Resident Care are rising and far higher than when we selected Genworth's insurance policy 25 years ago.

For multiple years (2020 thru 2024) we've filed WA-OIC Public Record Complaints re: GLIC collusion with WA-OIC Analysts and WA-OIC AGO officials. WA State Agencies failed to take any steps to address our Legislators. They failed to investigate Policy matters or LTC corrupt practices by Genworth.

WA State Laws MUST be changed to protect residents; and especially Seniors. Federal Class Action Lawsuits filed in multiple states against GLIC's actions proved unsuccessful in protecting WA State's Genworth LTC Policyholders.

**ENACT 2025 INVESTIGATIONS AND LEGISLATIVE WA-OIC RULEMAKING POLICY
WA OIC Hearings for Premium change transparency (R 2024-07)**

WA State OIC and Rulemaking Policies are inconsistent and require immediate corrective actions to protect Long Term Care benefits for WA Residents. WA OIC-Officials are fully aware what's going on; and know the financial/health impacts on Washington seniors who need their Long-Term Care. OIC held "Rulemaking

Hearings” with evidence presented to limit price increases for protection of Policyholders. But LTC Insurers WERE NOT included as being part of the Rulemaking Hearing processes. Our formal OIC-Complaints and requests were disregarded.

DIRECT FINANCIAL IMPACTS ON WA POLICYHOLDERS & TAXPAYERS

We submit our 2025-2026 Genworth Policy data and financial information as prime examples of price-increase on WA seniors with Long-Term Care Insurance:

2025 Genworth and WA OIC-Approved Pricing Premium @ + 30% Annually

A. New pricing forced an elective option major/negative financial impacts on our Healthcare/Home and Facility care benefits for 2025.

B. GLIC-LTC Plan Option w/Higher Annual Premium & Major Benefit Reductions

C. GLIC-LTC Plan Option requiring 10 percent “Co-Insurance/Higher Annual Cost” & further daily and Lifetime (-\$270,000) Policy Benefits Reductions

D. Reducing Policy Benefits by two (2) years from 8 years to 6 years

Percentage of Lost Benefits is approximately 260 percent greater than both of our combined Social Security SSN Annual Incomes

Please include this letter in the record for PREMIUM CHANGE TRANSPARENCY (R 2024 - 07) Hearings.

I volunteer to testify and provide full disclosure of information provided to WA-OIC during past four year.

In addition, I am including a 5-pages copy of on-line submittals with information provided to WA Department of Veterans Affairs attached today.

Regards,

Signed: Vernon D. Schrag 12/19/2024

RE: WA VETERANS LONG TERM CARE LEGISLATIVE INITIATIVE - WA-OIC REFORMS

To VERNON SCHRAG <[REDACTED]>

Hello Mr. Schrag,

It's nice to hear from you. I will keep an eye out for legislation this year and add to our bill tracking list as well.

Thank you and I hope you have a wonderful holiday season!

Heidi

From: VERNON SCHRAG <[REDACTED]>

Sent: Thursday, November 21, 2024 4:37 PM

To: Audette, Heidi (DVA) <HeidiA@DVA.WA.GOV>

Subject: RE: WA VETERANS LONG TERM CARE LEGISLATIVE INITIATIVE - WA-OIC REFORMS

External Email

Good Morning Heidi, Thank you for following up last July. Wishing a good Thanksgiving Holiday Season!

You may be aware that WA State elected our new Insurance Commissioner, Patty Kuderer (see attached **priority action statements**).

You may also be aware that **Public Hearings are underway in Olympia** to address "Premium Transparency" (R 2024-07) Rulemaking.

(see attached submittal that I personally provided this week).

Newly elected House Legislator Amy Walen of my WA-District got these files and has her Staffer (Phoebe Greening) drafting Emergency Legislation regulations for LTC Consumer Protections in WA State.

Please confirm you received the attachments enclosed.

States like CA and Nebraska have **already dealt with these issues in 2023-2024.**

Many thousand of Veterans and family members like myself are impacted. WA State with WA DVA leadership support can finally move forward to fix the disaster.

With your help, I'll ask our new WA Governor Bob Ferguson and his Legal Staff to push forward.

My formally requested investigatory steps to OIC Legal Counsel Marta DeLeon has these same recommendations (since January 2024) as per attached.

Please have WDVA contact me for specifics about next steps for our vulnerable U.S. Military Veterans in WA State. ... Together we can get this solved for Vets.

Sincerely, Vernon D. Schrag
Genworth LTC Policyholder - WA State

[REDACTED]
[REDACTED] - Seattle

Public Record File

...

On 07/24/2024 2:23 PM PDT Audette, Heidi (DVA) <heidia@dva.wa.gov> wrote:

Thank you Mr. Schrag,
We will keep an eye out for legislation during the 2025 session.

You mentioned that you are a disabled Veteran, so I also wanted to be sure that you are aware of benefits available through the U.S. Department of Veterans Affairs in partnership with State Departments of Veterans Affairs. Veterans who are rated 70% or higher service connected disabled are eligible for care in a State Veterans Home. This nursing home care is paid by the U.S. DVA.

In addition, the Federal VA offers in home care services to certain Veterans as well.
https://www.caregiver.va.gov/Care_Veterans.asp

Thank you again and please let us know if there is any additional information we can provide related to your Veterans benefits.

Heidi

From: VERNON SCHRAG <[REDACTED]>
Sent: Saturday, July 20, 2024 9:57 AM
To: Audette, Heidi (DVA) <HeidiA@DVA.WA.GOV>
Subject: RE: WA VETERANS LONG TERM CARE LEGISLATIVE INITIATIVE - WA-OIC REFORMS

External Email

Good Morning Heidi, Thank you for following up.

Please confirm you received the attachments enclosed.

Attached is my formal submittal to the Legislature. Representative Amy Walen of Commerce Committee has her Olympia Staffers doing further Legislative investigations to move forward on this.

States like CA and Nebraska have **already dealt with these issues in 2023-2024**. Many thousand of Veterans and family members are impacted. WA State can do it.

Two file versions of the same proposed Legislation for WA State are enclosed.

I've also asked Governor Inslee's Legal Staff & Robert Duff his Senior Level WA leader to follow up on these matters. My requested investigatory steps to WA-AGO Legal Counsel within WA-OIC/Marta DeLeon sent in January 2024 is also attached.

Please have WDVA contact me for specifics about how badly this situation impacts most vulnerable Veterans in our State.

Sincerely, **Vernon D. Schrag**

Genworth LTC Policyholder - WA State

[REDACTED]

Public Record File

On 07/20/2024 7:00 AM PDT Audette, Heidi (DVA) <heidia@dva.wa.gov> wrote:

Good morning Mr. Schrag,
I appreciate you sharing your message with WDVA. Could you please send the draft legislation attachment you mention?

Thank you,

Heidi Audette

Communications and Legislative Director
Washington State Department of Veterans Affairs
"Serving Those Who Served"

she/her ([What is This?](#))

(360) 485-1812

(360) 791-8966 - cell

heidia@dva.wa.gov | dva.wa.gov



From: VERNON SCHRAG <[REDACTED]>

Sent: Friday, July 19, 2024 9:31 AM

To: Audette, Heidi (DVA) <HeidiA@DVA.WA.GOV>; DVA Benefits <Benefits.DVA@dva.wa.gov>

Subject: WA VETERANS LONG TERM CARE LEGISLATIVE INITIATIVE - WA-OIC REFORMS

External Email

Dear DVA Leaders & Media Inquiries Staff: ... I offer to testify in Olympia in 2024.

Please review my urgent message (below) sent this week to **Washington DC National Legislative Director of Disabled American Veterans.****Your response is requested.**

WA State Legislation to protect Veterans Long Term Care Insurance must be put in place during 2024 to avoid further ongoing direct harms to WA Veterans and their families.

Pass it to those in WA DVA who will cooperate & support Legislative action!!

Additionally, move quickly on **BUILD for Veterans Act of 2023** (S. 42/H.R. 3225) that includes women, aging veterans and those requiring Long Term Care.

WA State DVA & Governor Inslee must show leadership on these vital National Policies before the U.S. House Veterans' Affairs Subcommittee on Health.

I submitted my formal request to our **National Legislative Director of Disabled American Veterans (DAV) and Deputy Legislative Director in Washington D.C.**

I believe our WA Legislature will require WDVA's superior level support for dealing with WA-OIC's Legislative and **Procedural failures on exorbitant, unethical Long Term Care Policy pricing increases in WA State.** Specifically Genworth-GLIC LTC Insurance. **(Quote):**

"Dear Director Item: I'm an Army Veteran seeking your leadership guidance, plus Legislative support on a vital National issue impacting thousands of American Veterans and family members across every State and territory.

Many States are taking piecemeal, inconsistent Legislative steps that vary across the country. Insurance Lobbyists, scammers and Insurance Executives have been actively blocking meaningful steps to correct the ongoing policy situation.

I've also contacted my DAV Legislative Representative in Olympia, WA for support. Washington State's elected Insurance Commissioner Staff (WA-OIC) has stood against Veterans and residents to deny Long Term Care policy benefits they've already paid for. Annual LTC price increases by Insurance companies are approved every year by WA-OIC to drive policyholders to drop coverage; and enable reductions of policy payouts.

Despite Federal Court Class Action VA rulings, the State of Washington has failed to protect Veterans and their families. Our WA Governor, Attorney General Staff and State Legislators are fully aware and alerted during 2022, 2023 and 2025. WA-OIC has a Legal AGO member within the organization itself. The Commissioner also employs a longtime Attorney who is accountable for handling such matters for protections of ALL State residents.

These government employees avoid any steps to work with WA State Legislative leaders. See attached Legislation that I've submitted for WA-OIC's immediate emergency steps to protect myself, family and fellow U.S. Veterans of WA State; and I've requested WDAV's ongoing support of our 2024 Legislature. Please urge their actions.

Thank you for efforts at the National level that you may bring to bear on these dire matters. DAV's August 8, 2024 Convention/Phoenix, the initial Topic/Seminar is: USPIS

Operation Protect Veterans: Hold the Line Against Scams" (end quote)

**Sincerely, Vernon D. Schrag
LTC Policyholder - WA State
Disabled U.S. Army Veteran**

Public Record File

- image001.jpg (2 KB)
- image002.png (1 KB)
- image003.png (1 KB)
- image004.png (4 KB)
- image005.png (568 Byte)
- image006.png (1 KB)
- image007.png (4 KB)