

BULLETIN

A Communication from
the Life Insurance Division



PACIFIC LIFE

Pacific Life Insurance Company

DATE: June 29, 2020

TO: Life Insurance Producers, Management, Office Administrators, and
Technical Staff

SUBJECT: Pricing Changes to Pacific PremierCare® Choice Whole Life Insurance
Products with Long-Term Care Benefits, Effective July 6, 2020

Category	
<input type="checkbox"/>	Administration
<input type="checkbox"/>	Compliance
<input type="checkbox"/>	Marketing
<input checked="" type="checkbox"/>	Product
<input type="checkbox"/>	Risk Selection
<input type="checkbox"/>	Miscellaneous

Pricing Changes Pacific PremierCare® Choice July 6th, 2020

Pacific Life Insurance Company is repricing its single-pay and multi-pay Pacific PremierCare Choice¹ Whole Life Insurance Products with Long-Term Care Benefits, effective July 6, 2020.

These changes vary by several factors including insured's issue age, sex, and marital status.

- Average price increase of 14% to Pacific PremierCare Choice 100
- Average price increase of 16% to Pacific PremierCare Choice MAX
- Average price increase of 10% to Pacific PremierCare Choice Multi-Pay 100
- Average price increase of 13% to Pacific PremierCare Choice Multi-Pay MAX

Please contact your Pacific Life representative for more details or to request a personalized quote for your client.

Transition Guidelines

Deadline	Requirement
7/17/20	Submission Requirements To receive current pricing on Pacific PremierCare Choice products, the ticket and all associated new business submission paperwork must be received in the Life Insurance Division <u>by</u> 7/17/20. Submissions received after this date will automatically receive the new rates in place. Reminder, backdating is not available for this product. Current age rates will also apply.
Prior to Policy Issue	Credentialing Requirements Life insurance producers must be properly credentialed <u>by</u> 7/17/20 to submit a ticket for the prior pricing of the Pacific PremierCare Choice products. If a life insurance producer is not properly credentialed by 7/17/20, a new ticket will need to be resubmitted once the life insurance producer is properly credentialed. The ticket will be subject to the revised pricing and may be subject to additional underwriting. Client Interview and Policy Placement Requirements Once a ticket is successfully submitted, the Personal History Interview must be completed within 45 days of submission. After the policy is issued, you will have up to 30 days to pay the case. If these conditions are not met, the case will be closed out and a new ticket must be submitted, subject to the revised pricing.
Adverse Underwriting Decisions	Underwriting Appeals for Applications received prior to 7/6/20 For those cases that were declined/postponed and are now eligible as of 7/6/20, they will receive the new revised pricing, subject to additional underwriting.

Resource and Contact Information

For questions, contact the Long-Term Care Sales Desk (855) 584-0661 or LTCSalesDesk@PacificLife.com.

1. Policy Form #P17PCH and S17PCH100M or ICC17 P17PCH and ICC17 S17PCH100M; P17PCH and S17PCHMAXM or ICC17 P17PCH and ICC17 S17PCHMAXM; P17PCH and S17PCH100S or ICC17 P17PCH and ICC17 S17PCH100S; P17PCH and S17PCHMAXS or ICC17 P17PCH and ICC17 S17PCHMAXS; based on product and state of policy issue. These products are intended to provide federally tax-qualified long-term care insurance as defined in IRC Section 7702B(b). Tax treatment of long-term care benefits may depend on factors such as the amount of benefits in relation to certain IRS limitations (referred to as "per diem" limitations), the amount of qualified expenses incurred or if similar benefits are being received under other contracts. When benefits are received from multiple policies providing long-term care for a given insured, including policies with different owners, those benefits must be aggregated to determine their taxability. Pacific Life cannot determine whether the benefits are taxable. Clients should be advised to consult with qualified and independent legal and tax advisors for more information.

Pacific PremierCare Choice Suite of Products, whole life insurance products with long-term care benefits, are subject to underwriting and approval of the application and may include obtaining records from a physician. No medical exam is required, but a Medical Information Bureau (MIB) and prescription report will be ordered and a Personal History Interview and Cognitive Assessment will be performed via telephone as part of the underwriting process.

Exclusions, Exceptions, and Limitations: Pacific Life will not pay benefits for care or services: 1) provided by the Insured's Immediate Family unless he or she is a regular employee of an organization which is providing the treatment, service or care; and the organization receives the payment for the treatment, service or care; or provided by the Insured's Immediate Family unless the Indemnity Benefit Option is in effect and benefits are being paid for Home and Community Care; 2) for which no charge is normally made in the absence of insurance; 3) provided outside the United States of America except as provided under the Indemnity Option's International Benefit; 4) that result from an attempt at suicide (while sane or insane) or an intentionally self-inflicted injury; 5) that result from alcoholism or drug addiction; 6) that result from committing or attempting to commit or participating in a felony, riot or insurrection; 7) provided in a government facility (unless otherwise required by law); 8) for which benefits are available under Medicare (including amounts that would be reimbursable but for the application of a deductible or coinsurance amount) or other governmental program (except Medicaid), any state or federal workers' compensation, employer's liability or occupational disease law, or any motor vehicle no-fault law. No benefits will be paid for services received while the Accelerated Benefit Rider (ABR) and the Extended Benefit Riders (EBR) for Long-Term Care are not in effect.

Pacific Life is a product provider. It is not a fiduciary and therefore does not give advice or make recommendations regarding insurance or investment products.



PACIFIC LIFE

**Pacific Life Insurance Company
Newport Beach, CA
(800) 800-7681 • www.PacificLife.com**

Pacific Life Insurance Company is licensed to issue insurance products in all states except New York. Product/material availability and features may vary by state. Insurance products and their guarantees, including optional benefits and any crediting rates, are backed by the financial strength and claims-paying ability of the issuing insurance company. Look to the strength of the life insurance company with regard to such guarantees as these guarantees are not backed by the broker-dealer, insurance agency, or their affiliates from which products are purchased. Neither these entities nor their representatives make any representation or assurance regarding the claims-paying ability of the life insurance company.

Pacific Life Insurance Company's individual life insurance products are marketed exclusively through independent third-party life insurance producers, which may include bank affiliated entities. Some selling entities may limit availability of some optional riders and investment options based on their client's age and other factors. Your broker-dealer or firm can help you determine which optional riders and investment options are available and appropriate for your clients.

The primary purpose of life insurance is death benefit protection against the premature death of the insured.

Pacific Life Insurance Company's Home Office is located in Newport Beach, CA.

Investment and Insurance Products: Not a Deposit	Not Insured by any Federal Government Agency	
Not FDIC Insured	No Bank Guarantee	May Lose Value