



New DRA Partnerships — Arizona, Louisiana, Maine, Montana, New Hampshire

LTC NEWSLINK

THE LATEST NEWS AND IDEAS TO GROW YOUR LTCI BUSINESS

March 5, 2010

We are pleased to report that with the addition of Arizona, Louisiana, Maine, Montana, and New Hampshire, there are now 33 operational DRA Partnership Programs. For the State DRA Partnership Status & Implementation Chart, see page 3 of this communication. The effective date for each program is as follows:

State	Effective date
Arizona	7/1/08
Louisiana	10/1/09
Maine	7/1/09
Montana	7/1/09
New Hampshire	4/1/07

The filing process for each of these states is ongoing and we will let you know as soon as our submissions are approved and we are ready to launch. As a reminder, until our submissions are approved, the information below is subject to change.

In the interim, we strongly believe that you should not hesitate to recommend John Hancock’s LTCI products to your customers today. Waiting could mean that changes in age and health could jeopardize the benefits available to your client, or at worst, their insurability. In addition, we believe you should make your clients aware of the age-required inflation requirements for a Partnership policy now, so that the policy they purchase now meets those requirements when we launch participation in that state.

Acceptable Inflation Options & CPI

Louisiana, Maine and New Hampshire requirements expressly allow for a CPI-linked inflation option to satisfy all DRA age-tiers. Arizona and Montana have chosen not to define inflation options in more detail than the DRA requirements. Therefore, based upon available guidance we expect approval of all our Custom Care II Enhanced and Leading Edge inflation options in both states.

Exchanges

Category 1 Exchange States — We will be filing our standard "like for like" exchange program in Arizona, Louisiana, Maine and Montana, Subject to state approval, our intent is to automatically update to DRA Partnership status all eligible policies issued between February 8, 2006 and the effective date of such state’s Partnership program, where the policy meets all Partnership requirements including the proper choice of inflation. Please refer to our "Guide to National Partnership Exchange Program" (Form: LTC-3807). Under our program, Maryland and South Carolina would be considered a category I state.

Category 2 Exchange State — Please note that New Hampshire has unique exchange requirements and will be considered a category II state. The look back period for New Hampshire begins on February 8, 2006. We are in the process of developing a program that will meet New Hampshire's requirements.

Long-term care insurance is underwritten by John Hancock Life Insurance Company (U.S.A.), Boston, MA 02117 (not licensed in New York) and in New York by John Hancock Life & Health Insurance Company, Boston, MA 02117.

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LTC Newslink 1657 3/10

Producer Training

Arizona's training requirements have already been implemented. As a reminder:

Training deadline: 7/1/2009

Training requirements: Initial 8-hour NAIC Partnership training course.

Resident producers: Arizona requires that resident producers take an Arizona 8-hour NAIC Partnership course that has been approved as Continuing Education in the state of Arizona. CE does not have to be issued.

Non-resident producers: Arizona has adopted training reciprocity. This means that non-resident producers may take an Arizona 8-hour NAIC Partnership course OR they may take an 8-hour NAIC Partnership course from another state.

Refresher training: A 4-hour follow-up course must be completed during every two year period beginning July 1, 2009.

Maine's training requirements have already been implemented. As a reminder:

Training deadlines:

- Existing producers that were licensed prior to 9/20/2007 must complete training by 7/1/2008
- New producers that were licensed after 9/20/2007 must complete the 8-hour NAIC Partnership training prior to soliciting, negotiating, or selling LTCL.

Training requirements: Initial 8-hour NAIC Partnership training course

Resident producers: Maine requires that licensed resident producers either take a Maine approved 8-hour NAIC Partnership course or an 8-hour NAIC Partnership course from another state.

Non-resident producers: Maine has adopted training reciprocity and allows non-resident producers to take a Maine approved NAIC Partnership course or an 8-hour NAIC Partnership course from another state.

Refresher training: Maine requires a 4-hour course every 24 months.

Montana's training requirements have already been implemented. As a reminder:

Training deadline: 7/1/08

Training requirements: Initial 8-hour NAIC Partnership training course.

Resident producers: Montana allows resident producers to take a Montana 8-hour NAIC Partnership course, or they may take an 8-hour NAIC Partnership course from another state to fulfill Montana's requirements.

Non-resident producers: Montana has adopted training reciprocity. This means that non-resident producers may take a Montana 8-hour NAIC Partnership course OR they may take an 8-hour NAIC Partnership course from another state.

Refresher training: Montana requires a 4-hour course every 24 months.

Louisiana and New Hampshire have yet to adopt any specific LTC or Partnership training requirements though each Department has indicated that they will be looking to adopt the NAIC producer training requirements in the future. Until such time as Louisiana or New Hampshire announces specific training requirements, we will deem a producer appropriate trained by virtue of the appropriate producer license and materials that we make available to all producers selling John Hancock LTCI products.

State DRA Partnership Status & Implementation Chart

