

**PUBLIC NOTICE**

**INSURANCE**

**DEPARTMENT OF BANKING AND INSURANCE**

**DIVISION OF INSURANCE**

**Notice of Alternate Interest Rates for Rate Submissions**

**Take notice** that the Commissioner of the Department of Banking and Insurance (Commissioner), in compliance with N.J.A.C. 11:4-34.17(c)5v, hereby provides notice of an adjustment in the alternate interest rates used in rate submissions for certain long-term care insurance policies, as specified in N.J.A.C. 11:4-34.17(a). These rates, as well as these adjustments to the rates, also apply to individual health insurance policies. These alternate interest rates are based on corporate yields for Aaa and Baa bonds as reported in U.S. Financial Data published by the Research and Public Information Division of the Federal Reserve Bank of St. Louis.

The new alternate interest rate adjustments are effective immediately and are as follows:

(1) The current five percent interest rate graded linearly to four percent over 10 years and four percent thereafter should be changed to a six percent interest rate graded linearly to four percent over 10 years and three and one-half percent thereafter; and

(2) The current four and one-half percent level rate should be changed to a four percent level interest rate.