

**IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF VIRGINIA
RICHMOND DIVISION**

JUDY HALCOM, HUGH PENSON, HAROLD)
CHERRY, and RICHARD LANDINO,)
Individually and on Behalf of All Others)
Similarly Situated,)

Plaintiffs,)

vs.)

GENWORTH LIFE INSURANCE COMPANY)
and GENWORTH LIFE INSURANCE)
COMPANY OF NEW YORK,)

Defendants.)

Civil Action No. 3:21-cv-00019-REP
CLASS ACTION

**DEFENDANTS’ REPORT CONCERNING
STATE REGULATORY INPUT ON THE SETTLEMENT**

Defendants Genworth Life Insurance Company and Genworth Life Insurance Company of New York (collectively, “Genworth”) hereby submit this report concerning input from the State Departments of Insurance (collectively, the “States”) on the Settlement, including the template Special Election Letter with Disclosures.

As a part of the CAFA notice process (28 U.S.C. § 1715), Genworth, on August 26, 2021, provided a copy of the Settlement Agreement, including a description of the proposed Special Election Options, the template Special Election Letter, and the Disclosures, to the U.S. Attorney General and the insurance regulators of each of the fifty (50) States and the District of Columbia.

(ECF No. 50.) Additionally, on October 8, 2021, Genworth separately sent the Special Election Letter to the States and specifically requested their feedback and questions by December 8, 2021.¹

No State has objected to the Settlement; no State has prohibited the Special Election Letter (including its Disclosures) from being sent; and no State has prohibited the offer of any Special Election Option to Class members. The vast majority of States have neither raised concerns about the Settlement nor requested any additional information. Two States (Massachusetts and Ohio) requested immaterial modifications to the Special Election Letters to be sent to Class members with Class Policies issued by those States, and Genworth tailored the Special Election Letters for two other States (California and Florida) based on immaterial modifications they previously made to the Special Election Letter sent in connection with the *Skochin* settlement. Seven other States asked questions about the Settlement but did not request changes to the Special Election Letter. No State has requested changes to the Special Election Options. Genworth considers the regulatory-feedback process complete and expects no outstanding issues that require resolution prior to final approval of the Settlement by this Court.

1. Immaterial State-Specific Modifications to the Special Election Letter

a. The Massachusetts Division of Insurance (the “Massachusetts DOI”) requested additional immaterial wording and formatting changes to Special Election Letters to be sent to Class Members with Massachusetts-issued Class Policies. Massachusetts DOI also requested that certain disclosures related to Genworth’s plans for future rate increases be removed from Special Election Letters sent to Class members with Massachusetts-issued policies in Non-Forfeiture or

¹ Genworth’s transmittals to the California, Florida, and Massachusetts insurance departments attached Special Election Letters already tailored to those States, in light of feedback received on the *Skochin* Special Election Letter. As in *Skochin*, those State-specific modifications were immaterial in nature.

Fully Paid-up Status (because such Class members are no longer in premium-paying status and, as such, may not find information about future rate increases important). The Parties have agreed to make these immaterial changes to the Massachusetts Special Election Letter.

b. The Ohio Department of Insurance requested minor, immaterial edits to the Special Election Letter, which the Parties have agreed to incorporate into the template Special Election Letter being sent in most States.

c. As noted above, Genworth sent the California Department of Insurance and the Florida Office of Insurance Regulation Special Election Letters that already included immaterial modifications to the Special Election Letters to be sent to Class Members with Class Policies issued in those States. Neither of these States has requested further modifications to their Special Election Letters.

2. Questions from Other States

a. The Nebraska Department of Insurance (“Nebraska DOI”) asked questions about the structure of certain Special Election Options, which Genworth answered. The Nebraska DOI did not request any modifications to the Special Election Letter or Special Election Options.

b. The Maine Bureau of Insurance (“Maine Bureau”) asked questions about Genworth’s policy form filing history, which Genworth answered. The Maine Bureau did not request any modifications to the Special Election Letter or Special Election Options.

c. The Minnesota Department of Insurance (“Minnesota DOI”) asked for details about timing of the Class Notice mailing (which Genworth provided) and for confirmation that Special Election Letters would not be mailed until after final approval of this Settlement (which Genworth confirmed). The Minnesota DOI did not request any modifications to the Special Election Letter or Special Election Options.

d. The Nevada Department of Insurance (“Nevada DOI”) requested an additional copy of the Settlement Agreement and the template Special Election Letter, which Genworth provided. The Nevada DOI did not request any modifications to the Special Election Letter or Special Election Options.

e. The Utah Insurance Department (“Utah Department”) asked questions about the number of Class Members with Utah-issued Class Policies and the structure of the Special Election Options, which Genworth answered. The Utah Department did not request any modifications to the Special Election Letter or Special Election Options.

f. The Louisiana Department of Insurance (“Louisiana DOI”) requested confirmation that the Settlement will not supersede the Louisiana DOI’s authority to approve or otherwise regulate Genworth’s long-term care insurance premium rates, which Genworth confirmed. The Louisiana DOI also requested information about the nature of the Special Election Options, which Genworth answered. The Louisiana DOI did not request any modifications to the Special Election Letter or the Special Election Options.

g. The Missouri Department of Insurance (“Missouri DOI”) asked questions about the number of Class members with Missouri-issued policies, the timing of Class Notice mailings, and the rate increase history for PCS I and PCS II policies in Missouri, and Genworth provided answers to these questions. The Missouri DOI ultimately did not request any modifications to the Special Election Letter or the Special Election Options.

Genworth will be prepared to address any questions the Court may have regarding these matters during the Final Approval Hearing.

Respectfully submitted,

/s/

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CERTIFICATE OF SERVICE

I hereby certify that on the 27th day of January, 2022, I electronically filed the foregoing with the Clerk of the Court using the CM/ECF System, which will send a notification of such filing (NEF) to all counsel of record.

/s/

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