

Letter 4 and Response

From: Michael R. Meeker
To: [ETF SMB Board Feedback](#)
Subject: Transamerica Life Insurance Company
Date: Friday, March 9, 2018 2:27:48 PM

To: The ETF Board that it may concern

From: Michael R. Meeker, ETF annuitant

Date: March 9, 2018

Re: Client mistreatment by Transamerica Life Insurance Company (TIC)

My wife and I have held a long term care policy offered through you with TIC. I believe we have been poorly treated by this company. Below is a chronology of events that leads me to that conclusion. In addition I have spoken with an ETF agent and the Executive Assistant to the ETF Secretary about this matter. They both have records/notes about my complaint. If after reading and investigating the circumstances related below, you agree that TIC has indeed mistreated us, *I request ETF to take whatever action is necessary to avoid repeat instances of client abuse.*

Chronology:

- On Dec 7, 2017 my wife and I received letters from TIC indicating that they were going to significantly raise their premium for long term care as of Feb 22, 2018. In that letter they acknowledged that “this rate increase may have significant impact on your budget.” In our case the increase amounted to \$675.41/month. In the same letter they offered options to mitigate this impact. The letter also stated that we had to respond with 120 days of receipt of their letter in order to have elected policy changes effected.
- After considering the options we chose Option #1 which left all the benefits intact but reduced the rate of increase of benefits from 5% to 0.5% per annum. In exchange our monthly premiums were left unchanged. We both filled out their forms and elected Option #1 on December 8, 2017. Because such a large change in monthly premiums was at issue, I took care to send our response on December 8th by certified mail. The post office records indicate it was delivered to the TIC front desk in Plano, Texas at 11:04 am on December 12th, 2017. At this point I considered the matter complete.
- On March 9, 2018 I received our bank statement, wherein there are 2 electronic transfers dated Feb. 22, 2018, the total amount of the transfer to TIC is \$1,227.44 which is exactly \$675.41 more than our ongoing premium. In other words TIC failed to process our elected option.
- On March 9, 2018 I called TIC and spoke to a customer service representative. That agent acknowledged that they were in possession of our change in elected benefit coverage documents and that we would be receiving a refund. She informed me that it is their policy to only process changes starting the effective date of change, i.e. February 22, 2018. I found that incredible and so stated. She stated that she would seek expedition of our policy change, but could not give me any indication as to when that might be, and thus when I would receive a refund. She further added that she had been informed that processing of these changes was “on schedule.” I stated that I expected the refund to include accrued interest from February 22, 2018 to the date of refund at

the prime interest rate, at minimum. I don't believe that is too much to ask given the circumstances.

- I then called ETF and related this all these facts to a gentleman who made notes but said I needed to talk to another person to who handles such matters. I was connected to the Executive Assistant to the ETF Secretary, where I again related all these facts. This person also took notes and said they needed my complaint in writing and then it would be forwarded to the appropriate board.

In summary I believe ETF annuitants have been very badly treated by TIC. In many cases the amount of premium change may adversely affect policy holders financial planning. In fact many may not be able to absorb, even if temporarily, large unplanned transfer withdrawals. Certainly TIC was given ample time to process these changes and should have acted promptly on receipt of their policy holders' elected changes. Since ETF offered TIC long term care insurance to its annuitants, *I believe it should police abusive processes that adversely impact their annuitants.*

Thank you for your consideration of my request. I look forward to your response.

Cordially,

Michael R. Meeker

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