

SERFF Tracking Number: PHYS-125948624 State: Arkansas  
Filing Company: Physicians Mutual Insurance Company State Tracking Number: 41119  
Company Tracking Number:  
TOI: LTC03I Individual Long Term Care Sub-TOI: LTC03I.001 Qualified  
Product Name: B305D & B312  
Project Name/Number: B305D & B312/B305D & B312

## Filing at a Glance

Company: Physicians Mutual Insurance Company

Product Name: B305D & B312

TOI: LTC03I Individual Long Term Care

Sub-TOI: LTC03I.001 Qualified

Filing Type: Form

SERFF Tr Num: PHYS-125948624 State: ArkansasLH

SERFF Status: Closed

Co Tr Num:

Co Status:

Author: Kathryn Gurnett

Date Submitted: 12/15/2008

State Tr Num: 41119

State Status: Approved-Closed

Reviewer(s): Marie Bennett

Disposition Date: 12/31/2008

Disposition Status: Approved

Implementation Date Requested: On Approval

Implementation Date:

State Filing Description:

## General Information

Project Name: B305D & B312

Project Number: B305D & B312

Requested Filing Mode:

Explanation for Combination/Other:

Submission Type: New Submission

Overall Rate Impact:

Filing Status Changed: 12/31/2008

State Status Changed: 12/31/2008

Corresponding Filing Tracking Number:

Filing Description:

NAIC: 80578 FEIN: 47-0270450

Physicians Mutual Insurance Company

Individual Long Term Care

B305D -- Amendment Rider

B312 -- Amendment Rider

Compliance with revisions to Regulation 13

Status of Filing in Domicile: Not Filed

Date Approved in Domicile:

Domicile Status Comments:

Market Type: Individual

Group Market Size:

Group Market Type:

Deemer Date:

In compliance with the recent revisions to Chapter 13 concerning Long Term Care Insurance, the B305D and B312 are

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being submitted for review. The B305D will be attached to all current and new long term care policies in Arkansas. The B312 will be attached to any long term care policies which have a limited or fixed premium payment period.

The Flesch scores for the B305D and the B312 are 55.8 and 40.3 respectively.

We reserve the right to alter the format of the form(s) submitted herein without refiling due to future technology changes, i.e. paper size, font, font type, line ending or page ending changes. Be assured that any minimum font-size requirements will be met. Any changes to wording or content would be filed prior to approval.

Sincerely,

Kathryn R. Gurnett, MBA, CPCU, CLU, HIA, AAPA, AIRC, FLMI, CCP  
Policy Approval and Compliance Coordinator  
Government and Industry  
Voice: (402) 633-1188  
Fax: (402) 633-1096  
E-mail: [katie.gurnett@physiciansmutual.com](mailto:katie.gurnett@physiciansmutual.com)

## Company and Contact

### Filing Contact Information

Kathryn Gurnett, Policy Approval & Compliance [katie.gurnett@physiciansmutual.com](mailto:katie.gurnett@physiciansmutual.com)  
Coordinator  
2600 Dodge Street      (402) 633-1188 [Phone]  
Omaha, NE 68131      (402) 633-1096[FAX]

### Filing Company Information

Physicians Mutual Insurance Company      CoCode: 80578      State of Domicile: Nebraska  
2600 Dodge Street      Group Code: 367      Company Type:  
Omaha, NE 68131      Group Name:      State ID Number:  
(402) 633-1188 ext. [Phone]      FEIN Number: 47-0270450  
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## Filing Fees

Fee Required? Yes  
Fee Amount: \$40.00  
Retaliatory? No  
Fee Explanation:  
Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
Physicians Mutual Insurance Company	\$40.00	12/15/2008	24545234

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## **Correspondence Summary**

### **Dispositions**

<b>Status</b>	<b>Created By</b>	<b>Created On</b>	<b>Date Submitted</b>
Approved	Marie Bennett	12/31/2008	12/31/2008

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## **Disposition**

Disposition Date: 12/31/2008

Implementation Date:

Status: Approved

Comment:

Rate data does NOT apply to filing.

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<b>Item Type</b>	<b>Item Name</b>	<b>Item Status</b>	<b>Public Access</b>
<b>Supporting Document</b>	Certification/Notice		Yes
<b>Supporting Document</b>	Application		Yes
<b>Supporting Document</b>	Health - Actuarial Justification		Yes
<b>Supporting Document</b>	Outline of Coverage		Yes
<b>Form</b>	AMENDMENT RIDER		Yes
<b>Form</b>	AMENDMENT RIDER		Yes

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## Form Schedule

### Lead Form Number:

Review Status	Form Number	Form Type Form Name	Action	Action Specific Data	Readability	Attachment
	B305D	Policy/Cont AMENDMENT ract/Fratern RIDER al Certificate: Amendmen t, Insert Page, Endorseme nt or Rider	Initial		56	B305D.pdf
	B312	Policy/Cont AMENDMENT ract/Fratern RIDER al Certificate: Amendmen t, Insert Page, Endorseme nt or Rider	Initial		40	B312.pdf

## AMENDMENT RIDER

This Rider is made a part of and amends the Policy to which it is attached. It is subject to all Policy provisions not in conflict with the provisions of this Rider.

For Policies issued on or after July 1, 2009, the effective date of this Rider is the same as the effective date of your Policy.

For Policies issued prior to July 1, 2009, the effective date of this Rider is the first Policy renewal date on or after July 1, 2009.

**The following provision is added to the PAYMENT OF PREMIUM section of the Policy:**

**Right to Reduce Coverage and Lower Premiums:** As long as Your Policy is in effect, You can choose to reduce coverage and lower the Policy premium by choosing one of the following options:

- (1) Reducing the maximum benefit; or
- (2) Reducing the monthly benefit amount.

If You want to take advantage of this Right, You must call or write Us or Your agent with Your request. The age used to determine the premiums for the reduced coverage shall be based on the age used to determine the premiums for the coverage currently in force. Any reduction in coverage is limited to plans available for this Policy Form, and to those for which benefits will be available after consideration of claims paid or payable.

PHYSICIANS MUTUAL INSURANCE COMPANY



President

## AMENDMENT RIDER

This Rider is made a part of the Policy to which it is attached. It is subject to all Policy provisions not in conflict with the provisions of this Rider. This Rider is effective on the Effective Date of Your Policy.

The following is added to the **Contingent Nonforfeiture Benefit** provision:

In addition to the contingent nonforfeiture benefits in the **Contingent Non-Forfeiture Benefit** provision in Your Policy, the following reduced "paid up" contingent nonforfeiture benefit is an option in all policies that have a fixed or limited premium payment period, even if You selected a nonforfeiture benefit when You bought Your Policy. If both the reduced "paid up" benefit AND the contingent benefit described above are triggered by the same rate increase, You can choose either of the two benefits.

You are eligible for the reduced "paid up" contingent nonforfeiture benefit if all three conditions shown below are met:

- (1) The premium You are required to pay after the increase exceeds Your original premium by the same percentage or more shown in the chart below:

Issue Age	Percent Increase Over Initial Premium
Under 65	50 %
65-80	30 %
Over 80	10 %

- (2) You stop paying Your premiums within 120 days of when the premium increase took effect; AND
- (3) The ratio of the number of months You already paid premiums is 40 % or more than the number of months You originally agreed to pay.

If You are eligible for the Reduced "Paid Up" Option, You may select one of the following options:

- (1) To reduce policy benefits provided by the current coverage without the requirement of additional underwriting so that required premium payments are not increased; or
- (2) To convert Your Coverage to a paid-up status where the amount payable for each benefit is 90% of the amount payable in effect immediately prior to the lapse times the ratio of the number of completed months of paid premiums divided by the number of months in the premium paying period. This option may be elected at any time during the 120 day period after the rate increase took effect.

If You do not choose an option during the 120 day period after the rate increase has taken effect and You have paid 40% of the required premiums, We will apply option (2).

If You purchased lifetime benefits, only the monthly benefit amounts You purchased will be adjusted by the applicable ratio.

**Termination:** This Rider terminates upon termination of the Policy.

**PHYSICIANS MUTUAL INSURANCE COMPANY**

*R. A. Reed*

President

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## **Rate Information**

Rate data does NOT apply to filing.

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## Supporting Document Schedules

<b>Satisfied -Name:</b> Certification/Notice	<b>Review Status:</b>	12/15/2008
<b>Comments:</b>		
<b>Attachments:</b>		
B305 B312 Readability Cert.pdf		
Ar reg 19 cert.pdf		
<b>Bypassed -Name:</b> Application	<b>Review Status:</b>	12/15/2008
<b>Bypass Reason:</b> This is an amendment rider filing only.		
<b>Comments:</b>		
<b>Bypassed -Name:</b> Health - Actuarial Justification	<b>Review Status:</b>	12/15/2008
<b>Bypass Reason:</b> There are no rates associated with this filing.		
<b>Comments:</b>		
<b>Bypassed -Name:</b> Outline of Coverage	<b>Review Status:</b>	12/15/2008
<b>Bypass Reason:</b> There is no change to the outline of coverages		
<b>Comments:</b>		

**PHYSICIANS MUTUAL INSURANCE COMPANY**

**OMAHA, NEBRASKA**

**Certification of Flesch**

These forms have the following Flesch Readability Score:

<u>Form</u>	<u>Flesch Score</u>
B305D	55.8
B312	40.3

The entire form was analyzed. The following was excluded in the text: name and address of the insurer; name, number and title of the rider; captions and sub-captions; medical terminology; defined terms.



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Shawn Pollock  
Assistant Vice President  
Government and Industry

12-15-08  
Date

**CERTIFICATION**

**RE: B305D, B312**

This is to certify that the above captioned filing complies with Arkansas Regulation 19 and all other applicable requirements of the Arkansas Insurance Department.

A handwritten signature in black ink that reads "Shawn Pollock". The signature is written in a cursive style. To the right of the signature is a vertical red line.

Date: December 15, 2008

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Shawn Pollock  
Vice President  
Government and Industry