

SERFF Tracking Number: KANX-126252081 State: Arkansas
Filing Company: Kanawha Insurance Company State Tracking Number: 43107
Company Tracking Number: CANAR0012510R01
TOI: H07I Individual Health - Specified Disease - Limited Benefit Sub-TOI: H07I.002A Dread Disease - Cancer Only
Product Name: Cancer
Project Name/Number: Rate Increase 70160 2/98/CANAR0012510R01

Filing at a Glance

Company: Kanawha Insurance Company

Product Name: Cancer SERFF Tr Num: KANX-126252081 State: Arkansas
TOI: H07I Individual Health - Specified Disease - Limited Benefit SERFF Status: Closed- Disapproved State Tr Num: 43107
Sub-TOI: H07I.002A Dread Disease - Cancer Only Co Tr Num: CANAR0012510R01 State Status: Disapproved-Closed
Filing Type: Rate Reviewer(s): Rosalind Minor

Author: SPI Disposition Date: 09/30/2009
KanawhaInsuranceCompany
Date Submitted: 08/03/2009 Disposition Status: Disapproved
Implementation Date:

Implementation Date Requested: 09/03/2009

State Filing Description:

General Information

Project Name: Rate Increase 70160 2/98
Project Number: CANAR0012510R01
Requested Filing Mode: Review & Approval
Explanation for Combination/Other:
Submission Type: New Submission
Overall Rate Impact: 23%
Filing Status Changed: 09/30/2009

Status of Filing in Domicile: Pending
Date Approved in Domicile:
Domicile Status Comments:
Market Type:
Group Market Size:
Group Market Type:
Explanation for Other Group Market Type:
State Status Changed: 09/30/2009
Created By: SPI KanawhaInsuranceCompany
Corresponding Filing Tracking Number:

Deemer Date:
Submitted By: SPI KanawhaInsuranceCompany
Filing Description:
See attached cover letter.

Company and Contact

Filing Contact Information

Jennifer Newman, Actuary
210 South White Street

jnewman9@humana.com
803-283-5300 [Phone] 5532 [Ext]

SERFF Tracking Number: KANX-126252081 State: Arkansas
 Filing Company: Kanawha Insurance Company State Tracking Number: 43107
 Company Tracking Number: CANAR0012510R01
 TOI: H071 Individual Health - Specified Disease - Limited Benefit Sub-TOI: H071.002A Dread Disease - Cancer Only
 Product Name: Cancer
 Project Name/Number: Rate Increase 70160 2/98/CANAR0012510R01

Lancaster, SC 29720 803-416-5760 [FAX]

Filing Company Information

Kanawha Insurance Company	CoCode: 65110	State of Domicile: South Carolina
210 South White Street	Group Code:	Company Type:
Lancaster, SC 29720	Group Name:	State ID Number:
(803) 283-5300 ext. [Phone]	FEIN Number: 570380426	

Filing Fees

Fee Required? No
 Retaliatory? No
 Fee Explanation:
 Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
Kanawha Insurance Company	\$0.00	08/03/2009	

SERFF Tracking Number: KANX-126252081 State: Arkansas
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 Project Name/Number: Rate Increase 70160 2/98/CANAR0012510R01

Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Disapproved	Rosalind Minor	09/30/2009	09/30/2009

Objection Letters and Response Letters

Objection Letters				Response Letters		
Status	Created By	Created On	Date Submitted	Responded By	Created On	Date Submitted
Pending	Rosalind Minor	08/11/2009	08/11/2009			
Industry Response						

Filing Notes

Subject	Note Type	Created By	Created On	Date Submitted
Additional requested information	Note To Filer	Rosalind Minor	09/18/2009	09/18/2009
Additonal Arkansas information	Note To Filer	Rosalind Minor	08/24/2009	08/24/2009
AR Form Filing for RAte Increase 70160	Note To Reviewer	SPI KanawhaInsuran ceCompany	08/18/2009	08/18/2009

SERFF Tracking Number: KANX-126252081 State: Arkansas
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 Product Name: Cancer
 Project Name/Number: Rate Increase 70160 2/98/CANAR0012510R01

Disposition

Disposition Date: 09/30/2009

Implementation Date:

Status: Disapproved

Comment:

As outlined in my Note to Filer on 9/18/09, this submission is being disapproved since I did not received the additional information requested.

Company Name:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	# of Policy Holders Affected for this Program:	Written Premium for this Program:	Maximum % Change (where required):	Minimum % Change (where required):
Kanawha Insurance Company	%	%	\$		\$	%	%

SERFF Tracking Number: KANX-126252081 State: Arkansas
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 Project Name/Number: Rate Increase 70160 2/98/CANAR0012510R01

Schedule	Schedule Item	Schedule Item Status	Public Access
Supporting Document	Health - Actuarial Justification	Disapproved	No
Supporting Document	Cover Letter	Disapproved	Yes
Supporting Document	AR Experience	Disapproved	No
Rate	Rates	Disapproved	Yes

**Kanawha Insurance Company
Arkansas Experience**

Policy Form 70160 2/98 - Lump Sum Cancer

Year	Cash Premiums	Due Premiums	Advanced Premiums	Earned Premiums	Cash Benefits	Ending Claim Reserve
1999	1,562	0	0	1,291	0	0
2000	13,686	178	0	13,054	0	0
2001	36,838	230	5,319	31,570	0	0
2002	113,352	4,067	8,503	114,006	0	0
2003	261,524	2,062	16,607	251,415	130,000	26,885
2004	339,256	3,827	18,406	339,221	185,000	28,051
2005	322,778	4,599	18,354	323,602	140,000	12,727
2006	297,936	2,287	18,074	295,905	180,000	13,687
2007	280,505	2,172	16,800	281,665	225,000	11,652
2008	261,772	814	19,374	257,840	110,000	889
CUMMULATIVE	1,929,209			1,909,569	970,000	

ROP Riders 70170 2/98 & 70175 2/98

Year	Cash Premiums	Due Premiums	Advanced Premiums	Earned Premiums	Cash Benefits	Ending Claim Reserve
1999	0	0	0	0	0	0
2000	0	0	0	0	0	0
2001	0	0	0	0	0	0
2002	0	0	0	0	0	0
2003	32	26	6	52	0	0
2004	48	26	5	49	0	0
2005	98	0	3	74	0	0
2006	237	0	9	231	0	0
2007	300	0	9	300	0	0
2008	302	0	9	302	0	0
CUMMULATIVE	1,017			1,008	0	

Policy Form 70160 2/98 - Lump Sum Cancer, ROP Riders 70170 2/98 & 70175 2/98

Year	Cash Premiums	Due Premiums	Advanced Premiums	Earned Premiums	Cash Benefits	Ending Claim Reserve
1999	1,562	0	0	1,291	0	0
2000	13,686	178	0	13,054	0	0
2001	36,838	230	5,319	31,570	0	0
2002	113,352	4,067	8,503	114,006	0	0
2003	261,556	2,088	16,613	251,467	130,000	26,885

2004	339,304	3,852	18,411	339,270	185,000	28,051
2005	322,876	4,599	18,357	323,676	140,000	12,727
2006	298,173	2,287	18,083	296,135	180,000	13,687
2007	280,805	2,172	16,809	281,965	225,000	11,652
2008	262,073	814	19,383	258,142	110,000	889
CUMMULATIVE	1,930,226			1,910,577	970,000	

AR Arkansas

Incurred Benefits	Without Policy Rsrv Loss Ratio	BASE (only)				
		YEAR	YTD_PREM	DUE_PREM	ADV_PREM	
0	0%	1999	1,562			
0	0%	2000	13,686	178	0	
0	0%	2001	36,838	230	5,319	
0	0%	2002	113,352	4,067	8,503	
156,885	62%	2003	261,524	2,062	16,607	
186,166	55%	2004	339,256	3,827	18,406	
124,676	39%	2005	322,778	4,599	18,354	
180,960	61%	2006	297,936	2,287	18,074	
222,965	79%	2007	280,505	2,172	16,800	
99,237	38%	2008	261,772	814	19,374	
970,889	51%	CUMMULATIVE	1,929,209			

Incurred Benefits	Without Policy Rsrv Loss Ratio	ROP (only)				
		YEAR	YTD_PREM	DUE_PREM	ADV_PREM	
0	0%	1999	0			
0	0%	2000	0	0	0	
0	0%	2001	0	0	0	
0	0%	2002	0	0	0	
0	0%	2003	32	26	6	
0	0%	2004	48	26	5	
0	0%	2005	98	0	3	
0	0%	2006	237	0	9	
0	0%	2007	300	0	9	
0	0%	2008	302	0	9	
0	0%	CUMMULATIVE	1,017			

175 2/98

Incurred Benefits	Without Policy Rsrv Loss Ratio	TOTAL				
		YEAR	YTD_PREM	DUE_PREM	ADV_PREM	
0	0%	1999	1,562	0	0	
0	0%	2000	13,686	178	0	
0	0%	2001	36,838	230	5,319	
0	0%	2002	113,352	4,067	8,503	
156,885	62%	2003	261,556	2,088	16,613	

186,166	55%	2004	339,304	3,852	18,411
124,676	39%	2005	322,876	4,599	18,357
180,960	61%	2006	298,173	2,287	18,083
222,965	79%	2007	280,805	2,172	16,809
99,237	38%	2008	262,073	814	19,383
970,889	51%	CUMMULATIVE	1,930,226		

1,910,577

970,889

EARND_PREM	YTD_CLMS	CLM_RES	INCURD_BEN	wo RES LR
1,291	0	0	0	0%
13,054	0	0	0	0%
31,570	0	0	0	0%
114,006	0	0	0	0%
251,415	130,000	26,885	156,885	62%
339,221	185,000	28,051	186,166	55%
323,602	140,000	12,727	124,676	39%
295,905	180,000	13,687	180,960	61%
281,665	225,000	11,652	222,965	79%
257,840	110,000	889	99,237	38%
1,909,569	970,000		970,889	51%

EARND_PREM	YTD_CLMS	CLM_RES	INCURD_BEN	wo RES LR
0	0	0	0	#DIV/0!
0	0	0	0	#DIV/0!
0	0	0	0	#DIV/0!
0	0	0	0	#DIV/0!
52	0	0	0	0%
49	0	0	0	0%
74	0	0	0	0%
231	0	0	0	0%
300	0	0	0	0%
302	0	0	0	0%
1,008	0		0	0%

EARND_PREM	YTD_CLMS	CLM_RES	INCURD_BEN	wo RES LR
1,562	0	0	0	0%
13,864	0	0	0	0%
31,570	0	0	0	0%
114,006	0	0	0	0%
251,467	130,000	26,885	156,885	62%

339,270	185,000	28,051	186,166	55%
323,676	140,000	12,727	124,676	39%
296,135	180,000	13,687	180,960	61%
281,965	225,000	11,652	222,965	79%
258,142	110,000	889	99,237	38%
1,911,658	970,000		970,889	51%

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Company Tracking Number: CANAR0012510R01
TOI: H071 Individual Health - Specified Disease - Limited Benefit Sub-TOI: H071.002A Dread Disease - Cancer Only
Product Name: Cancer
Project Name/Number: Rate Increase 70160 2/98/CANAR0012510R01

Objection Letter

Objection Letter Status Pending Industry Response
Objection Letter Date 08/11/2009
Submitted Date 08/11/2009
Respond By Date

Dear Jennifer Newman,

This will acknowledge receipt of the captioned filing.

Objection 1

- AR Experience (Supporting Document)

Comment:

I need additional information in order to review your request for a rate increase.

As required by our Bulletin 4-79, please provide:

1. A statement of the history of the rates in Arkansas.
2. A statement of the approximate number of persons in Arkansas affected by the proposed rates.
3. A description of the latest three calendar years Nationwide experience on an earned premium to incurred claim basis for the policy.

Please feel free to contact me if you have questions.

Sincerely,

Rosalind Minor

SERFF Tracking Number: KANX-126252081 *State:* Arkansas
Filing Company: Kanawha Insurance Company *State Tracking Number:* 43107
Company Tracking Number: CANAR0012510R01
TOI: H071 Individual Health - Specified Disease - Limited Benefit *Sub-TOI:* H071.002A Dread Disease - Cancer Only
Product Name: Cancer
Project Name/Number: Rate Increase 70160 2/98/CANAR0012510R01

Note To Filer

Created By:

Rosalind Minor on 09/18/2009 10:24 AM

Last Edited By:

Rosalind Minor

Submitted On:

09/30/2009 01:52 PM

Subject:

Additional requested information

Comments:

In my objection letter on 8/11/09, I requested, along with the Arkansas experience, a statement of the history of the rate increases in Arkansas and the number of policyholders in Arkansas.

As of this date, the information has not been received. I will hold the file open for an additional 5 working days. If the information is not received by the end of business, 9/25/09, the filing will be disapproved.

We appreciate your understanding and cooperation.

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Product Name: Cancer
Project Name/Number: Rate Increase 70160 2/98/CANAR0012510R01

Note To Filer

Created By:

Rosalind Minor on 08/24/2009 10:36 AM

Last Edited By:

Rosalind Minor

Submitted On:

09/30/2009 01:52 PM

Subject:

Additonal Arkansas information

Comments:

Thank you for the Arkansas experience as requested.

We will do our final review when you submitted the additional information requested; i.e., the history of the rate increases in Arkansas and the number of policyholders in Arkansas.

SERFF Tracking Number: KANX-126252081 *State:* Arkansas
Filing Company: Kanawha Insurance Company *State Tracking Number:* 43107
Company Tracking Number: CANAR0012510R01
TOI: H071 Individual Health - Specified Disease - Limited Benefit *Sub-TOI:* H071.002A Dread Disease - Cancer Only
Product Name: Cancer
Project Name/Number: Rate Increase 70160 2/98/CANAR0012510R01

Note To Reviewer

Created By:

SPI KanawhaInsuranceCompany on 08/18/2009 03:29 PM

Last Edited By:

Rosalind Minor

Submitted On:

09/30/2009 01:52 PM

Subject:

AR Form Filing for RAte Increase 70160

Comments:

I am resubmitting to you the information that you have requested.

SERFF Tracking Number: KANX-126252081 State: Arkansas
 Filing Company: Kanawha Insurance Company State Tracking Number: 43107
 Company Tracking Number: CANAR0012510R01
 TOI: H071 Individual Health - Specified Disease - Limited Benefit Sub-TOI: H071.002A Dread Disease - Cancer Only
 Product Name: Cancer
 Project Name/Number: Rate Increase 70160 2/98/CANAR0012510R01

Rate Information

Rate data applies to filing.

Filing Method: Prior Approval
Rate Change Type: Increase
Overall Percentage of Last Rate Revision: %
Effective Date of Last Rate Revision:
Filing Method of Last Filing:

Company Rate Information

Company Name:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	# of Policy Holders Affected for this Program:	Written Premium for this Program:	Maximum % Change (where required):	Minimum % Change (where required):
Kanawha Insurance Company	%	%				%	%

SERFF Tracking Number: KANX-126252081 State: Arkansas
 Filing Company: Kanawha Insurance Company State Tracking Number: 43107
 Company Tracking Number: CANAR0012510R01
 TOI: H071 Individual Health - Specified Disease - Limited Benefit Sub-TOI: H071.002A Dread Disease - Cancer Only
 Product Name: Cancer
 Project Name/Number: Rate Increase 70160 2/98/CANAR0012510R01

Rate/Rule Schedule

Schedule Item Status:	Document Name:	Affected Form Numbers: (Separated with commas)	Rate Action:	Rate Action Information:	Attachments
Disapprove Rates d 09/30/2009		70160 2/98	New		70160 2_98.PDF

Direct Sales*

CURRENT RATES MARCH 2009

PRO

**KANAWHA INSURANCE COMPANY
FORM 70160 2/98 LUMP SUM CANCER INSURANCE
MONTHLY PREMIUMS PER \$10,000 OF BENEFIT**

LIFETIME PREMIUM PAY

BASE RATES

BASE R.

ISSUE AGE	INDIV	SINGLE PARENT	FAMILY
18-24	4.00	5.00	7.00
25-29	4.00	5.00	7.00
30-34	5.00	6.00	9.00
35-39	6.00	7.00	11.00
40-44	8.00	9.00	14.00
45-49	10.00	11.00	17.00
50-54	13.00	14.00	23.00
55-59	17.00	18.00	30.00
60-64	21.00	22.00	37.00
65-69	25.00	26.00	44.00
70-74	31.00	32.00	54.00
75-79	33.00	34.00	58.00
80-84	36.00	37.00	63.00
85-89	38.00	39.00	66.00

ISSUE AGE
18-24
25-29
30-34
35-39
40-44
45-49
50-54
55-59
60-64
65-69
70-74
75-79
80-84
85-89

** these rates were ultimately used for worksite sales as well*

Direct Sales*

CURRENT RATES MARCH 2009

PRO

KANAWHA INSURANCE COMPANY
FORM 70160 2/98 LUMP SUM CANCER INSURANCE
MONTHLY PREMIUMS PER \$10,000 OF BENEFIT

20 YEAR PREMIUM PAY

BASE RATES

BASE R.

ISSUE AGE	INDIV	SINGLE PARENT	FAMILY
18-24	5.00	6.00	9.00
25-29	5.00	6.00	9.00
30-34	6.00	7.00	11.00
35-39	7.00	8.00	13.00
40-44	9.00	10.00	16.00
45-49	12.00	13.00	21.00
50-54	15.00	16.00	27.00
55-59	19.00	20.00	34.00
60-64	23.00	24.00	41.00
65-69	28.00	29.00	50.00
70-74	32.00	33.00	57.00
75-79	35.00	36.00	62.00

ISSUE AGE
18-24
25-29
30-34
35-39
40-44
45-49
50-54
55-59
60-64
65-69
70-74
75-79

* these rates were ultimately used for worksite sales as well

Worksite Sales

CURRENT RATES MARCH 2009

PRO

KANAWHA INSURANCE COMPANY
FORM 70160 2/98 LUMP SUM CANCER INSURANCE
MONTHLY PREMIUMS PER \$10,000 OF BENEFIT

LIFETIME PREMIUM PAY

BASE RATES*

BASE R.

ISSUE AGE	INDIV	SINGLE PARENT	FAMILY
18-49	8.00	9.00	14.00
50-69	21.00	22.00	37.00

ISSUE AGE
18-49
50-69

20 YEAR PREMIUM PAY

BASE RATES*

BASE R.

ISSUE AGE	INDIV	SINGLE PARENT	FAMILY
18-49	9.00	10.00	16.00
50-69	23.00	24.00	41.00

ISSUE AGE
18-49
50-69

OPOSED 23% RATE INCREASE 23%

**KANAWHA INSURANCE COMPANY
FORM 70160 2/98 LUMP SUM CANCER INSURANCE
MONTHLY PREMIUMS PER \$10,000 OF BENEFIT**

LIFETIME PREMIUM PAY

RATES

INDIV	SINGLE PARENT	FAMILY
4.92	6.15	8.61
4.92	6.15	8.61
6.15	7.38	11.07
7.38	8.61	13.53
9.84	11.07	17.22
12.30	13.53	20.91
15.99	17.22	28.29
20.91	22.14	36.90
25.83	27.06	45.51
30.75	31.98	54.12
38.13	39.36	66.42
40.59	41.82	71.34
44.28	45.51	77.49
46.74	47.97	81.18

OPOSED 23% RATE INCREASE 23%

**KANAWHA INSURANCE COMPANY
FORM 70160 2/98 LUMP SUM CANCER INSURANCE
MONTHLY PREMIUMS PER \$10,000 OF BENEFIT**

20 YEAR PREMIUM PAY

RATES

INDIV	SINGLE PARENT	FAMILY
6.15	7.38	11.07
6.15	7.38	11.07
7.38	8.61	13.53
8.61	9.84	15.99
11.07	12.30	19.68
14.76	15.99	25.83
18.45	19.68	33.21
23.37	24.60	41.82
28.29	29.52	50.43
34.44	35.67	61.50
39.36	40.59	70.11
43.05	44.28	76.26

POSED 23% RATE INCREASE

KANAWHA INSURANCE COMPANY
FORM 70160 2/98 LUMP SUM CANCER INSURANCE
MONTHLY PREMIUMS PER \$10,000 OF BENEFIT

LIFETIME PREMIUM PAY

RATES*

INDIV	SINGLE PARENT	FAMILY
9.84	11.07	17.22
25.83	27.06	45.51

20 YEAR PREMIUM PAY

RATES*

INDIV	SINGLE PARENT	FAMILY
11.07	12.30	19.68
28.29	29.52	50.43

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Project Name/Number: Rate Increase 70160 2/98/CANAR0012510R01

Supporting Document Schedules

		Item Status:	Status
Satisfied - Item:	Cover Letter	Disapproved	Date: 09/30/2009
Comments:			
Attachment:			
Cover Letter.PDF			



June 25, 2009

NAIC #65110
FEIN #57-0380426

Ms. ROSALIND D. MINOR
RATE & FORM ANALYST
LIFE AND HEALTH DIVISION
ARKANSAS INSURANCE DEPARTMENT
1200 WEST 3RD STREET
LITTLE ROCK AR 72201-1904

RE: Kanawha Insurance Company
Lump Sum Cancer Policy Forms
70160 2/98, Riders 70170 2/98 & 70175 2/98
Rate Increase Request

Dear Ms. MINOR:

We request a 23% rate increase for the above policy forms. The increase will apply to new business and inforce policies effective July 1, 2009 or as soon thereafter as administratively feasible following approval by the Department. We are requesting this rate adjustment to avoid further increase in the loss ratios.

These are individual policy forms providing a lump sum benefit upon the first diagnosis of a covered cancer, if made 30 days from issue. Issue ages are from age 0 to 89.

The proposed rates, as well as the actuarial memorandum, are attached for your review and approval. The required filing fee and form, if applicable, are included in this filing.

We would appreciate your timely attention to this request. If you need additional information, please feel free to contact us at the numbers listed below or e-mail me at jnewman9@humana.com.

Sincerely,



Jennifer J. Newman
Actuarial Coordinator
(803) 283-5532