

SERFF Tracking Number: AGDE-126911852 State: Arkansas  
 Filing Company: National Union Fire Insurance Company of Pittsburgh, Pa. State Tracking Number: 47359  
 Company Tracking Number: C30551NUFIC-AR  
 TOI: H071 Individual Health - Specified Disease - Limited Benefit Sub-TOI: H071.001 Critical Illness  
 Product Name: @Work  
 Project Name/Number: Request for Rate Increase/C30551NUFIC-AR

## Filing at a Glance

Company: National Union Fire Insurance Company of Pittsburgh, Pa.

Product Name: @Work SERFF Tr Num: AGDE-126911852 State: Arkansas  
 TOI: H071 Individual Health - Specified Disease - Limited Benefit SERFF Status: Closed-Approved- Closed State Tr Num: 47359  
 Sub-TOI: H071.001 Critical Illness Co Tr Num: C30551NUFIC-AR State Status: Approved-Closed  
 Filing Type: Rate Reviewer(s): Rosalind Minor  
 Authors: Darren O'Toole, Veronica Bullock Disposition Date: 12/01/2010  
 Date Submitted: 11/19/2010 Disposition Status: Approved-Closed  
 Implementation Date Requested: On Approval Implementation Date:

State Filing Description:

## General Information

Project Name: Request for Rate Increase  
 Project Number: C30551NUFIC-AR  
 Requested Filing Mode: Review & Approval

Explanation for Combination/Other:  
 Submission Type: New Submission  
 Overall Rate Impact:  
 Filing Status Changed: 12/01/2010

Deemer Date:  
 Submitted By: Veronica Bullock

Filing Description:

RE: National Union Fire Insurance Company of Pittsburgh, Pa.  
 NAIC # 012-19445, FEIN 25-0687550

Rate Increase Filing for Individual Cancer and Specified Disease Policy C30551NUFIC-AR

Status of Filing in Domicile: Authorized  
 Date Approved in Domicile: 11/18/2010  
 Domicile Status Comments: Deregulated in Pennsylvania  
 Market Type:  
 Group Market Size:  
 Group Market Type:  
 Explanation for Other Group Market Type:  
 State Status Changed: 12/01/2010  
 Created By: Darren O'Toole  
 Corresponding Filing Tracking Number:  
 C30551NUFIC-AR

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Attached for your review and approval is our Actuary's request for a rate increase for our block of Guaranteed Renewable Individual Cancer and Specified Disease Insurance policies listed above. The subject form was approved by your Department on March 30,2004.

Should you have any questions regarding this filing, please feel free to contact me.

## Company and Contact

### Filing Contact Information

Darren O'Toole, Regulatory affairs Analyst  
 503 Carr Road  
 3rd Floor  
 Wilmington, DE 19809  
 Darren.O'Toole@chartisinsurance.com  
 888-396-5369 [Phone] 31749 [Ext]  
 302-830-4466 [FAX]

### Filing Company Information

National Union Fire Insurance Company of Pittsburgh, Pa.  
 503 Carr Road  
 3rd Floor  
 Wilmington, DE 19809  
 (888) 396-5369 ext. 31722[Phone]  
 CoCode: 19445 State of Domicile: Pennsylvania  
 Group Code: 12 Company Type:  
 Group Name: AIG State ID Number:  
 FEIN Number: 25-0687550

## Filing Fees

Fee Required? Yes  
 Fee Amount: \$50.00  
 Retaliatory? No  
 Fee Explanation: \$50.00 filing fee  
 Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
National Union Fire Insurance Company of Pittsburgh, Pa.	\$50.00	11/19/2010	42134869

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## Correspondence Summary

### Dispositions

Status	Created By	Created On	Date Submitted
Approved-Closed	Rosalind Minor	12/01/2010	12/01/2010

### Objection Letters and Response Letters

Objection Letters				Response Letters		
Status	Created By	Created On	Date Submitted	Responded By	Created On	Date Submitted
Pending Industry Response	Rosalind Minor	11/24/2010	11/24/2010	Darren O'Toole	12/01/2010	12/01/2010

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## Disposition

Disposition Date: 12/01/2010

Implementation Date:

Status: Approved-Closed

Comment:

We have approved a 15% level rate increase on your submission. The approval is subject to the following conditions:

1. Rate increases will not be given prior to the first annual anniversary date of any policy.
2. After the first annual anniversary date of any policy, increases will not be given more frequently than once in a twelve (12) month period.
3. All increases in rates, other than a change in age or an individual moving to another geographical area, must be submitted to our Department for approval.

Rate data does NOT apply to filing.

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Schedule	Schedule Item	Schedule Item Status	Public Access
Supporting Document (revised)	Health - Actuarial Justification	Approved-Closed	No
Supporting Document	Health - Actuarial Justification	Replaced	No
Supporting Document	Filing Letter	Approved-Closed	Yes

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## Objection Letter

Objection Letter Status Pending Industry Response  
Objection Letter Date 11/24/2010  
Submitted Date 11/24/2010

Respond By Date

Dear Darren O'Toole,

This will acknowledge receipt of the captioned filing.

Objection 1

- Health - Actuarial Justification (Supporting Document)

Comment:

Your cover letter indicates that there were no new sales on the product after April, 2010.

The actuarial memorandum states, under item #9, that this policy will be marketed through agents..... Also, Item #10, states that this policy will be on simplified underwriting basis and item #12 indicates that this form will be available to those actively at work.... All these statements indicate that you are actively marketing this product. The language needs to be changed if you are in fact no longer marketing the product.

As required by our Bulletin 4-79 (c), please provide a statement of the approximate number of persons in Arkansas affected by the proposed rates. It is also requested that you provide us with the actual experience for Arkansas.

It is the primary mission of the Arkansas Insurance Department to protect consumers. Given the current state of the economy and the relative poverty of our state, we think it would be inappropriate to allow an increase of more than 15% at this time. Please adjust the memorandum and rates to reflect the 15%.

We appreciate your understanding and cooperation in this matter.

Please feel free to contact me if you have questions.

Sincerely,

Rosalind Minor

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## Response Letter

Response Letter Status Submitted to State  
Response Letter Date 12/01/2010  
Submitted Date 12/01/2010

Dear Rosalind Minor,

### Comments:

We have received your letter dated Noevmebr 24, 2010 and offer the following response:

### Response 1

Comments: Please see our revised memo for corrections and revisions.

#### Related Objection 1

Applies To:

- Health - Actuarial Justification (Supporting Document)

Comment:

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**Changed Items:**

**Supporting Document Schedule Item Changes**

Satisfied -Name: Health - Actuarial Justification

Comment:

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

We thank you for your continued response to our rate filing.

Sincerely,

Darren O'Toole, Veronica Bullock

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## Supporting Document Schedules

	Item Status:	Status Date:
<b>Satisfied - Item:</b> Filing Letter	Approved-Closed	12/01/2010
<b>Comments:</b>		
<b>Attachment:</b>		
Actuary Filing Letter.pdf		

NATIONAL UNION FIRE INSURANCE  
COMPANY OF PITTSBURGH, PA.

Administrative Offices:

A&H Regulatory Affairs Department  
P.O. Box 9708  
Wilmington, DE 19809



October 20, 2010

Dear Sir or Madam:

Enclosed please find a Request for a Rate Change for Form Number C30551, our individual guaranteed renewable cancer insurance policies for National Union Fire Insurance Company of Pittsburgh, PA. Our projections show a 50% rate increase is necessary.

Our experience analysis as of June 30, 2010 can be seen in the following table:

Incurral Year	Constant Premium	Actual Loss Ratio	Expected Loss Ratio	A/E
2004	2,446,300	9.60%	26.98%	35.60%
2005	7,552,400	13.71%	29.39%	46.66%
2006	12,398,160	23.22%	32.72%	70.98%
2007	18,137,689	26.27%	34.71%	75.68%
2008	22,295,770	35.48%	37.05%	95.78%
2009	22,804,861	34.75%	40.46%	85.87%
2010Q1-Q2	7,586,114	48.10%	44.23%	108.74%
Total	93,221,293	30.46%	36.85%	82.68%

Form C30551 is closed. General sales on this form ceased effective April 21, 2009. For existing employer groups, new sales ceased at the end of their respective plan years. There are no new sales on existing groups after April 2010.

The year to date lapse through the end of June is 26%. We project the full year lapse to be 30%. The 30% lapse is a combination of the regular lapse, shock lapse from prior rate increase, and competition lapse from a new insurance carrier our TPA has contracted with. We are seeing experience deteriorating on the remaining inforce block. The 2009 experience of the policyholders who remain are 25% worse than the 2009 historical experience.

Please let me know if you have any questions or if you need any further information.

Sincerely,

A handwritten signature in black ink that reads "Jiyong Kim". The signature is written in a cursive, flowing style.

Jiyong Kim ASA, MAAA