

SERFF Tracking Number: AGLA-127128549 State: Arkansas  
Filing Company: American General Life and Accident Insurance Company State Tracking Number: 48502  
Company Tracking Number: LC 718 7-1-70, ETAL  
TOI: H071 Individual Health - Specified Disease - Limited Benefit Sub-TOI: H071.002A Dread Disease - Cancer Only  
Product Name: LC 718 7-1-70 et al Premium Rate Increase  
Project Name/Number: LC 718 7-1-70 et al Premium Rate Increase/LC 718 7-1-70 et al

## Filing at a Glance

Company: American General Life and Accident Insurance Company

Product Name: LC 718 7-1-70 et al Premium Rate Increase SERFF Tr Num: AGLA-127128549 State: Arkansas

TOI: H071 Individual Health - Specified Disease - Limited Benefit SERFF Status: Closed-Approved-Closed State Tr Num: 48502

Sub-TOI: H071.002A Dread Disease - Cancer Only Co Tr Num: LC 718 7-1-70, ETAL State Status: Approved-Closed

Filing Type: Rate

Author: Marilyn Ellis

Date Submitted: 04/15/2011

Reviewer(s): Rosalind Minor

Disposition Date: 04/27/2011

Disposition Status: Approved-Closed

Implementation Date Requested: 10/10/2011

Implementation Date:

State Filing Description:

## General Information

Project Name: LC 718 7-1-70 et al Premium Rate Increase

Project Number: LC 718 7-1-70 et al

Requested Filing Mode: Review & Approval

Explanation for Combination/Other:

Submission Type: New Submission

Overall Rate Impact: 12%

Deemer Date:

Submitted By: Marilyn Ellis

Status of Filing in Domicile: Pending

Date Approved in Domicile:

Domicile Status Comments:

Market Type: Individual

Individual Market Type:

Filing Status Changed: 04/27/2011

State Status Changed: 04/27/2011

Created By: Marilyn Ellis

Corresponding Filing Tracking Number: LC 718 7-1-70 et al

Filing Description:

12% Premium Rate Increase for Family Cancer Medical Expense Plans

Policy Form LC 718 7-1-70 and LC 718 Rev 6-1-76

12% Premium Rate Increase for Family Cancer Medical Expense Plans

Policy Form LC 718 12/78 and LC 718 7/81-S

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A revised schedule of premium rates and supporting actuarial memorandum for the above referenced policy forms is enclosed.

This is a resubmission of the filing with SERFF tracking number AGLA-127084548. The disapproval letter to AGLA-127084548 indicated that "Based on the fact that there has been substantial rate increase over the past seven years and the impact that another increase would have on the insureds during (sic) this difficult economic time, we are disapproving your request at this time."

The company is asking the department to consider a smaller rate increase of 12% at this time on forms LC 718 7-1-70, LC 718 Rev 6-1-76, LC718 12/78 and LC 718 7/81-S. The value 12% is recognized by an independent party as an acceptable assumption for medical trend for medical expense coverage. It can be found in Rule 69O-149.003 (6)(d) of the Florida Administrative Code.

Form LC 718 7-1-70 was issued by Life and Casualty insurance Company of Tennessee starting in 1970. It was replaced by LC 718 Rev. 6-1-76, which was sold until 1980. Life and Casualty Insurance Company of Tennessee was merged with Gulf Life Insurance Company at year-end 1991. Gulf Life was merged with American General Life and Accident Insurance Company at year-end 1995. As explained in the enclosed actuarial memorandum, the experience was combined for both forms for this filing. There were 96 policies of form LC 718 7-1-70 and LC 718 Rev 6-1-76 in force as of 12/31/10.

Form LC 718 12/78 was issued by Life and Casualty Insurance Company of Tennessee beginning in 1979 and was subsequently replaced with the simplified language version, form LC 718 7/81-S. Life and Casualty Insurance Company of Tennessee has since merged with American General Life and Accident Insurance Company as described above. Therefore, experience was combined for both forms for this filing. There were 90 policies of forms LC 718 12/78 and LC 718 7/81-S in force as of 12/31/10.

Appendices A-F display the past and projected experience of the referenced forms. Past experience is from inception.

## Company and Contact

### Filing Contact Information

Kathryn Mitchell, Kathryn.Mitchell@aglife.com  
American General Center 615-749-1139 [Phone]  
Nashville, TN 37250-0001

### Filing Company Information

SERFF Tracking Number: AGLA-127128549 State: Arkansas  
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 Project Name/Number: LC 718 7-1-70 et al Premium Rate Increase/LC 718 7-1-70 et al  
 American General Life and Accident Insurance CoCode: 66672 State of Domicile: Tennessee  
 Company  
 American General Center Group Code: Company Type: L&H  
 Nashville, TN 37250-0001 Group Name: State ID Number:  
 (615) 749-1139 ext. [Phone] FEIN Number: 62-0306330

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**Filing Fees**

Fee Required? Yes  
 Fee Amount: \$50.00  
 Retaliatory? No  
 Fee Explanation: 1 rate filing x \$50 = \$50.00  
 Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
American General Life and Accident Insurance Company	\$50.00	04/15/2011	46601771

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## Correspondence Summary

### Dispositions

Status	Created By	Created On	Date Submitted
Approved-Closed	Rosalind Minor	04/27/2011	04/27/2011

### 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	04/26/2011	04/26/2011	Marilyn Ellis	04/27/2011	04/27/2011

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## Disposition

Disposition Date: 04/27/2011

Implementation Date:

Status: Approved-Closed

Comment:

We have approved a 6% 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.

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):
American General Life and Accident Insurance Company	12.000%	12.000%	\$39,252	186	\$327,101	12.000%	12.000%

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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	Experience Exhibit - Appendices A-F	Approved-Closed	No
Rate (revised)	6% Premium Rate Increase for Family Cancer Medical Expense Plans	Approved-Closed	No
Rate	12% Premium Rate Increase for Family Cancer Medical Expense Plans	Replaced	No
Rate (revised)	6% Premium Rate Increase for Family Cancer Medical Expense Plans	Approved-Closed	No
Rate	12% Premium Rate Increase for Family Cancer Medical Expense Plans	Replaced	Yes

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## Objection Letter

Objection Letter Status Pending Industry Response  
Objection Letter Date 04/26/2011  
Submitted Date 04/26/2011

Respond By Date

Dear Kathryn Mitchell,

This will acknowledge receipt of the captioned filing.

### Objection 1

- Health - Actuarial Justification (Supporting Document)
- Experience Exhibit - Appendices A-F (Supporting Document)
- 12% Premium Rate Increase for Family Cancer Medical Expense Plans, [LC 718 7-1-70 and LC 718 Rev 6-1-76] (Rate)
- 12% Premium Rate Increase for Family Cancer Medical Expense Plans, [LC 718 12/78 and LC 718 7/81-S] (Rate)

Comment:

Because of the past rate increases and the impact that another increase would have on the insureds during this difficult economic time, our Department will consider and approve no more than a 6% rate increase.

If you wish to accept the 6% increase, please submit revised rates and actuarial memorandum.

We appreciate your understanding and cooperation.

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 04/27/2011  
Submitted Date 04/27/2011

Dear Rosalind Minor,

### Comments:

Thank you for your review of our rate increase filing.

### Response 1

Comments: The company would like to accept your offer for a 6% rate increase. A revised actuarial memorandum and rate sheets are attached.

### Related Objection 1

Applies To:

- Health - Actuarial Justification (Supporting Document)
- 12% Premium Rate Increase for Family Cancer Medical Expense Plans, [LC 718 7-1-70 and LC 718 Rev 6-1-76] (Rate)
- 12% Premium Rate Increase for Family Cancer Medical Expense Plans, [LC 718 12/78 and LC 718 7/81-S] (Rate)
- Experience Exhibit - Appendices A-F (Supporting Document)

Comment:

Because of the past rate increases and the impact that another increase would have on the insureds during this difficult economic time, our Department will consider and approve no more than a 6% rate increase.

If you wish to accept the 6% increase, please submit revised rates and actuarial memorandum.

We appreciate your understanding and cooperation.

### Changed Items:

### Supporting Document Schedule Item Changes

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 Satisfied -Name: Health - Actuarial Justification  
 Comment:

No Form Schedule items changed.

**Rate/Rule Schedule Item Changes**

<b>Document Name:</b>	<b>Affected Form Numbers:</b>	<b>Rate Action:</b>	<b>Rate Action Information:</b>	<b>Attach Document:</b>
6% Premium Rate Increase for Family Cancer Medical Expense Plans	LC 718 7-1-70 and LC 718 Rev 6-1-76	New	Previous State Filing Number	

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**Previous Version**

12% Premium Rate Increase for Family Cancer Medical Expense Plans	LC 718 7-1-70 and LC 718 Rev 6-1-76	New	Previous State Filing Number	
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6% Premium Rate Increase for Family Cancer Medical Expense Plans	LC 718 12/78 and LC 718 7/81-S	New	Previous State Filing Number	
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**Previous Version**

12% Premium Rate Increase for Family Cancer Medical Expense Plans	LC 718 12/78 and LC 718 7/81-S	New	Previous State Filing Number	
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## Rate Information

Rate data applies to filing.

Filing Method: SERFF  
 Rate Change Type: Increase  
 Overall Percentage of Last Rate Revision: 15.000%  
 Effective Date of Last Rate Revision: 10/08/2010  
 Filing Method of Last Filing: SERFF

## Company Rate Information

Company Name:	Company Rate Change:	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):
American General Life and Accident Insurance Company	N/A	12.000%	12.000%	\$39,252	186	\$327,101	12.000%	12.000%