

SERFF Tracking Number: WAKE-127287039 State: Arkansas
Filing Company: USable Life State Tracking Number: 49206
Company Tracking Number: KEGUSABLEC3C4AR
TOI: H071 Individual Health - Specified Disease - Limited Benefit Sub-TOI: H071.002A Dread Disease - Cancer Only
Product Name: Cancer C3C4 Rate 2012
Project Name/Number: USable Life /KEGUSABLEC3C4AR

Filing at a Glance

Company: USable Life

Product Name: Cancer C3C4 Rate 2012 SERFF Tr Num: WAKE-127287039 State: Arkansas
TOI: H071 Individual Health - Specified Disease - Limited Benefit SERFF Status: Closed-Filed- Closed State Tr Num: 49206

Sub-TOI: H071.002A Dread Disease - Cancer Only Co Tr Num: KEGUSABLEC3C4AR State Status: Closed

Filing Type: Rate

Reviewer(s): Rosalind Minor
Disposition Date: 01/03/2012
Authors: Toni Hess, Katlyn Gorman, Ben Cohen, Jody Mistal
Date Submitted: 07/01/2011 Disposition Status: Filed-Closed

Implementation Date Requested: 02/01/2012

Implementation Date:

State Filing Description:

General Information

Project Name: USable Life
Project Number: KEGUSABLEC3C4AR
Requested Filing Mode: Review & Approval

Status of Filing in Domicile: Not Filed
Date Approved in Domicile:
Domicile Status Comments: The home domicile state is Arkansas.

Explanation for Combination/Other:
Submission Type: New Submission
Overall Rate Impact: 40%

Market Type: Individual
Individual Market Type:
Filing Status Changed: 01/03/2012
State Status Changed: 01/03/2012

Deemer Date: 08/01/2011
Submitted By: Katlyn Gorman
Filing Description:

Created By: Katlyn Gorman
Corresponding Filing Tracking Number:

RATE INCREASE FILING
CANCER POLICIES
FORM NUMBERS: CSD3-POL(2-92), CSD4-POL(2-92)

Wakely Actuarial Services, Inc. has been authorized to file the above captioned filing on behalf of USable Life.

The Company is requesting a 40.0% rate increase in premiums. The proposed effective date for this rate increase is

SERFF Tracking Number: WAKE-127287039 State: Arkansas
 Filing Company: USAbLe Life State Tracking Number: 49206
 Company Tracking Number: KEGUSABLEC3C4AR
 TOI: H071 Individual Health - Specified Disease - Limited Benefit Sub-TOI: H071.002A Dread Disease - Cancer Only
 Product Name: Cancer C3C4 Rate 2012
 Project Name/Number: USAbLe Life /KEGUSABLEC3C4AR
 02/01/2011.

We appreciate the Department's time and consideration in the review of this filing for USAbLe Life.

Company and Contact

Filing Contact Information

Katlyn Gorman, Administrative Assistant katlyn.gorman@wakelyactuarial.com
 34125 US Highway 19 North 888-590-5504 [Phone] 2100 [Ext]
 Suite 310 727-373-4559 [FAX]
 Palm Harbor, FL 34684

Filing Company Information

(This filing was made by a third party - WAS01)

USAbLe Life	CoCode: 94358	State of Domicile: Arkansas
320 W. Capitol	Group Code: 876	Company Type:
P. O. Box 1650	Group Name:	State ID Number:
Little Rock, AR 72203-1650	FEIN Number: 71-0505232	
(501) 375-7200 ext. [Phone]		

Filing Fees

Fee Required?	Yes
Fee Amount:	\$50.00
Retaliatory?	Yes
Fee Explanation:	\$50.00 per rate filing X 1
Per Company:	No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
USAbLe Life	\$50.00	07/01/2011	49316751

SERFF Tracking Number: WAKE-127287039 State: Arkansas
 Filing Company: USAbLe Life State Tracking Number: 49206
 Company Tracking Number: KEGUSABLEC3C4AR
 TOI: H071 Individual Health - Specified Disease - Limited Benefit Sub-TOI: H071.002A Dread Disease - Cancer Only
 Product Name: Cancer C3C4 Rate 2012
 Project Name/Number: USAbLe Life /KEGUSABLEC3C4AR

Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Filed-Closed	Rosalind Minor	01/03/2012	01/03/2012
Disapproved	Rosalind Minor	07/19/2011	07/19/2011

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	11/10/2011	11/10/2011	Katlyn Gorman	11/30/2011	11/30/2011

Industry
Response

Filing Notes

Subject	Note Type	Created By	Created On	Date Submitted
Response to my letter	Note To Filer	Rosalind Minor	12/02/2011	12/02/2011

SERFF Tracking Number: WAKE-127287039 State: Arkansas
 Filing Company: USable Life State Tracking Number: 49206
 Company Tracking Number: KEGUSABLEC3C4AR
 TOI: H071 Individual Health - Specified Disease - Limited Benefit Sub-TOI: H071.002A Dread Disease - Cancer Only
 Product Name: Cancer C3C4 Rate 2012
 Project Name/Number: USable Life /KEGUSABLEC3C4AR

Disposition

Disposition Date: 01/03/2012

Implementation Date:

Status: Filed-Closed

Comment:

The filing is being closed since we have not received a response to our Note to Filer of 12/2/2100.

The filing will maintain the original disapproval date of 7/19/11.

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):
USable Life	40.000%	40.000%	\$534,268	387	\$1,335,671	40.000%	40.000%

SERFF Tracking Number: WAKE-127287039 State: Arkansas
 Filing Company: USable Life State Tracking Number: 49206
 Company Tracking Number: KEGUSABLEC3C4AR
 TOI: H071 Individual Health - Specified Disease - Limited Benefit Sub-TOI: H071.002A Dread Disease - Cancer Only
 Product Name: Cancer C3C4 Rate 2012
 Project Name/Number: USable Life /KEGUSABLEC3C4AR

Schedule	Schedule Item	Schedule Item Status	Public Access
Supporting Document	Health - Actuarial Justification	Disapproved	No
Supporting Document	Authorization Letter	Disapproved	Yes
Supporting Document	Response to 11/10/11 objection	Disapproved	Yes
Rate	Rate Page	Disapproved	Yes

SERFF Tracking Number: WAKE-127287039 State: Arkansas
 Filing Company: USable Life State Tracking Number: 49206
 Company Tracking Number: KEGUSABLEC3C4AR
 TOI: H071 Individual Health - Specified Disease - Limited Benefit Sub-TOI: H071.002A Dread Disease - Cancer Only
 Product Name: Cancer C3C4 Rate 2012
 Project Name/Number: USable Life /KEGUSABLEC3C4AR

Disposition

Disposition Date: 07/19/2011

Implementation Date:

Status: Disapproved

Comment: It is the primary mission of the Arkansas Insurance Department to protect consumers.

Given the current state of the economy and the fact that this block of business has continually received rate increases over the past 10 years or longer, and the impact that another increase will have at this time, we are disapproving your request for a 40% rate increase.

Thank you for your understanding and cooperation.

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):
USable Life	40.000%	40.000%	\$534,268	387	\$1,335,671	40.000%	40.000%

SERFF Tracking Number: WAKE-127287039 State: Arkansas
 Filing Company: USable Life State Tracking Number: 49206
 Company Tracking Number: KEGUSABLEC3C4AR
 TOI: H071 Individual Health - Specified Disease - Limited Benefit Sub-TOI: H071.002A Dread Disease - Cancer Only
 Product Name: Cancer C3C4 Rate 2012
 Project Name/Number: USable Life /KEGUSABLEC3C4AR

Schedule	Schedule Item	Schedule Item Status	Public Access
Supporting Document	Health - Actuarial Justification	Disapproved	No
Supporting Document	Authorization Letter	Disapproved	Yes
Supporting Document	Response to 11/10/11 objection	Disapproved	Yes
Rate	Rate Page	Disapproved	Yes

SERFF Tracking Number: WAKE-127287039 State: Arkansas
Filing Company: USable Life State Tracking Number: 49206
Company Tracking Number: KEGUSABLEC3C4AR
TOI: H071 Individual Health - Specified Disease - Limited Benefit Sub-TOI: H071.002A Dread Disease - Cancer Only
Product Name: Cancer C3C4 Rate 2012
Project Name/Number: USable Life /KEGUSABLEC3C4AR

Objection Letter

Objection Letter Status Pending Industry Response
Objection Letter Date 11/10/2011
Submitted Date 11/10/2011

Respond By Date

Dear Katlyn Gorman,

This will acknowledge receipt of the captioned filing.

Objection 1

- Health - Actuarial Justification (Supporting Document)

Comment:

After having internal Department discussions concerning our disapproval of this rate increase, our Department would be willing to approve a 10% rate increase on this block of business. If you wish to accept the 10% increase, please attach the replacement rates which reflect the 10%.

A.C.A. 23-79-109(1)-(5) sets forth the procedure by which filings may be deemed approved upon the expiration of certain time periods with no affirmative action by the commissioner. If the commissioner determines that additional information is needed to make a decision regarding approval, such request for information will be made to the company. The filing will not be considered complete until said additional information is received. The time periods set forth in this statute will not begin to run until the filing is complete.

Please feel free to contact me if you have questions.

Sincerely,

Rosalind Minor

SERFF Tracking Number: WAKE-127287039 State: Arkansas
Filing Company: US Able Life State Tracking Number: 49206
Company Tracking Number: KEGUSABLEC3C4AR
TOI: H071 Individual Health - Specified Disease - Limited Benefit Sub-TOI: H071.002A Dread Disease - Cancer Only
Product Name: Cancer C3C4 Rate 2012
Project Name/Number: US Able Life /KEGUSABLEC3C4AR

Response Letter

Response Letter Status Submitted to State
Response Letter Date 11/30/2011
Submitted Date 11/30/2011

Dear Rosalind Minor,

Comments:

This is in response to your objection letter dated November 10, 2011.

Response 1

Comments: Please see the attached response letter.

Related Objection 1

Applies To:

- Health - Actuarial Justification (Supporting Document)

Comment:

After having internal Department discussions concerning our disapproval of this rate increase, our Department would be willing to approve a 10% rate increase on this block of business. If you wish to accept the 10% increase, please attach the replacement rates which reflect the 10%.

Changed Items:

Supporting Document Schedule Item Changes

Satisfied -Name: Response to 11/10/11 objection

Comment:

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Thank you,
Katlyn Gorman

Sincerely,

SERFF Tracking Number: WAKE-127287039 State: Arkansas
Filing Company: USAbLe Life State Tracking Number: 49206
Company Tracking Number: KEGUSABLEC3C4AR
TOI: H071 Individual Health - Specified Disease - Limited Benefit Sub-TOI: H071.002A Dread Disease - Cancer Only
Product Name: Cancer C3C4 Rate 2012
Project Name/Number: USAbLe Life /KEGUSABLEC3C4AR
Ben Cohen, Jody Mistal, Katlyn Gorman, Toni Hess

SERFF Tracking Number: WAKE-127287039 State: Arkansas
Filing Company: US Able Life State Tracking Number: 49206
Company Tracking Number: KEGUSABLEC3C4AR
TOI: H071 Individual Health - Specified Disease - Limited Benefit Sub-TOI: H071.002A Dread Disease - Cancer Only
Product Name: Cancer C3C4 Rate 2012
Project Name/Number: US Able Life /KEGUSABLEC3C4AR

Note To Filer

Created By:

Rosalind Minor on 12/02/2011 01:41 PM

Last Edited By:

Rosalind Minor

Submitted On:

12/02/2011 01:42 PM

Subject:

Response to my letter

Comments:

Your request for a rate increase was originally disapproved based upon the reasons stated in the disapproval.

Upon further review and based on further information which was provided, we re-opened the filings in order to make an offering. If you do not wish to accept our offering, we will close the file.

Thank you for your understanding and cooperation.

SERFF Tracking Number: WAKE-127287039 State: Arkansas
 Filing Company: USable Life State Tracking Number: 49206
 Company Tracking Number: KEGUSABLEC3C4AR
 TOI: H071 Individual Health - Specified Disease - Limited Benefit Sub-TOI: H071.002A Dread Disease - Cancer Only
 Product Name: Cancer C3C4 Rate 2012
 Project Name/Number: USable Life /KEGUSABLEC3C4AR

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: 02/01/2011
Filing Method of Last Filing: SERFF

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):
USable Life	40.000%	40.000%	\$534,268	387	\$1,335,671	40.000%	40.000%

SERFF Tracking Number: WAKE-127287039 State: Arkansas
 Filing Company: USable Life State Tracking Number: 49206
 Company Tracking Number: KEGUSABLEC3C4AR
 TOI: H071 Individual Health - Specified Disease - Limited Benefit Sub-TOI: H071.002A Dread Disease - Cancer Only
 Product Name: Cancer C3C4 Rate 2012
 Project Name/Number: USable Life /KEGUSABLEC3C4AR

Rate/Rule Schedule

Schedule Item Status:	Document Name:	Affected Form Numbers: (Separated with commas)	Rate Action:	Rate Action Information:	Attachments
Disapprove Rate Page d 07/19/2011		CSD3-POL(2-92),New CSD4-POL(2-92)			C3C4 AR - Exhibit A.pdf

USABLE LIFE INSURANCE COMPANY (NAIC #94358)

Rate Increase Adjustment: 40%

Actuarial Memorandum for Individual A&H Rate Increase

Cancer Plans with Chemotherapy Benefits

Exhibit A - Current and Proposed Monthly Premiums

I. Policy Form CSD3-POL(2-92)

<u>Coverage Type</u>	<u>Current Premium</u>	<u>Proposed Premium</u>
Individual	\$ 258.08	\$ 361.32
One Parent	\$ 309.80	\$ 433.72
Family	\$ 476.26	\$ 666.78

II. Policy Form CSD4-POL(2-92)

<u>Coverage Type</u>	<u>Current Premium</u>	<u>Proposed Premium</u>
Individual	\$ 183.24	\$ 256.54
One Parent	\$ 219.98	\$ 307.98
Family	\$ 353.68	\$ 495.16

SERFF Tracking Number: WAKE-127287039 State: Arkansas
 Filing Company: USable Life State Tracking Number: 49206
 Company Tracking Number: KEGUSABLEC3C4AR
 TOI: H071 Individual Health - Specified Disease - Limited Benefit Sub-TOI: H071.002A Dread Disease - Cancer Only
 Product Name: Cancer C3C4 Rate 2012
 Project Name/Number: USable Life /KEGUSABLEC3C4AR

Supporting Document Schedules

	Item Status:	Status Date:
Satisfied - Item: Health - Actuarial Justification Comments: Attachment: AJ 1Q2011 - C3C4 AR.pdf	Disapproved	07/19/2011

	Item Status:	Status Date:
Satisfied - Item: Authorization Letter Comments: Attachment: Authorization Letter.pdf	Disapproved	07/19/2011

	Item Status:	Status Date:
Satisfied - Item: Response to 11/10/11 objection Comments: Attachment: AR Response C3C4 11-28-2011.pdf	Disapproved	01/03/2012



David Prickett, FSA, MAAA
Vice President and Chief Actuary

June 30, 2011

To Whom It May Concern:

This letter authorizes Wakely Actuarial Services, Inc. to make filings on behalf of US Able Life for the CancerCare III, CancerCare IV, CancerCare Series and CancerCare Silver products in your state. This letter is effective as of June 1, 2011 and will continue through June 30, 2012.

Sincerely,

A handwritten signature in black ink, appearing to read "D. Prickett", with a long horizontal line extending to the right.

Vice President and Chief Actuary



Jody Mistal
Consulting Actuary
34125 US Highway 19 North, Suite 310
Palm Harbor, Florida 34684
Jody.Mistal@WakelyActuarial.com

November 30, 2011

Mrs. Rosalind Minor
Arkansas Insurance Department
1200 West 3rd Street
Little Rock, Arkansas 72201-1904

Re: US Able Life Insurance Company (NAIC 94358)
Rate Increase Filing
Cancer Series 3 & 4
State Tracking Number: 49206

Dear Mrs. Minor:

Thank you for re-opening the above captioned filing. The Company appreciates your continued consideration of the rate request. The following is in response to the SERFF objection letter dated November 10, 2011.

One can see that there is a large disconnect between the Department's offer to approve a 10% rate increase on this block of business and the 40% rate increase that the Company has requested. The Company is comfortable with the actuarial soundness of the rate increase determined necessary and demonstrated in the actuarial justification previously provided. To facilitate consideration of the Department's offer, the Company would like to better understand how the Department arrived at their 10% offer. To that end, we respectfully request an explanation of how the Department derived the 10% rate increase offer.

If you have any questions or need any additional information, please call me at (888) 590-5504 extension 2129.

Sincerely,

A handwritten signature in black ink, appearing to be "Jody Mistal", written in a cursive style.

Jody Mistal, ASA, MAAA
Consulting Actuary