

State: Arkansas **Filing Company:** Loyal American Life Insurance Company
TOI/Sub-TOI: MS05I Individual Medicare Supplement - Standard Plans/MS05I.001 Plan A
Product Name: Loyal Std 2012 Rate Filing
Project Name/Number: Loyal Std 2012 Rate Filing/Loyal Std 2012 Rate Filing

Filing at a Glance

Company: Loyal American Life Insurance Company
Product Name: Loyal Std 2012 Rate Filing
State: Arkansas
TOI: MS05I Individual Medicare Supplement - Standard Plans
Sub-TOI: MS05I.001 Plan A
Filing Type: Rate
Date Submitted: 10/19/2012
SERFF Tr Num: UTAC-128735196
SERFF Status: Closed-Disapproved
State Tr Num:
State Status: Disapproved-Closed
Co Tr Num: LOYAL STD 2012 RATE FILING

Implementation: 12/15/2012
Date Requested:
Author(s): Beau Schmitz
Reviewer(s): Stephanie Fowler (primary)
Disposition Date: 10/30/2012
Disposition Status: Disapproved
Implementation Date:

State Filing Description:

State: Arkansas **Filing Company:** Loyal American Life Insurance Company
TOI/Sub-TOI: MS05I Individual Medicare Supplement - Standard Plans/MS05I.001 Plan A
Product Name: Loyal Std 2012 Rate Filing
Project Name/Number: Loyal Std 2012 Rate Filing/Loyal Std 2012 Rate Filing

General Information

Project Name: Loyal Std 2012 Rate Filing	Status of Filing in Domicile: Pending
Project Number: Loyal Std 2012 Rate Filing	Date Approved in Domicile:
Requested Filing Mode: Review & Approval	Domicile Status Comments:
Explanation for Combination/Other:	Market Type: Individual
Submission Type: New Submission	Individual Market Type:
Overall Rate Impact: 5%	Filing Status Changed: 10/30/2012
	State Status Changed: 10/30/2012
Deemer Date:	Created By: Beau Schmitz
Submitted By: Beau Schmitz	Corresponding Filing Tracking Number:

Filing Description:
 Please note that this rate increase filing also serves as the Annual Rate Certification for the 2012 calendar year.

Company and Contact

Filing Contact Information

Beau Schmitz,	bschmitz@gafri.com
11200 Lakeline Blvd	512-531-1542 [Phone]
Suite 100	
Austin, TX 78717	

Filing Company Information

Loyal American Life Insurance Company	CoCode: 65722	State of Domicile: Ohio
11200 Lakeline Blvd., Suite 100	Group Code: 84	Company Type: Insurance Company
P.O. Box 559004	Group Name:	Company
Austin, TX 78755-9004	FEIN Number: 63-0343428	State ID Number:
(800) 633-6752 ext. [Phone]		

Filing Fees

Fee Required?	Yes
Fee Amount:	\$300.00
Retaliatory?	Yes
Fee Explanation:	AR Fee schedule
Per Company:	No

Company	Amount	Date Processed	Transaction #
Loyal American Life Insurance Company	\$300.00	10/19/2012	64068963

State: Arkansas **Filing Company:** Loyal American Life Insurance Company
TOI/Sub-TOI: MS05I Individual Medicare Supplement - Standard Plans/MS05I.001 Plan A
Product Name: Loyal Std 2012 Rate Filing
Project Name/Number: Loyal Std 2012 Rate Filing/Loyal Std 2012 Rate Filing

Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Disapproved	Stephanie Fowler	10/30/2012	10/30/2012

Objection Letters and Response Letters

Objection Letters

Status	Created By	Created On	Date Submitted
Pending Industry Response	Stephanie Fowler	10/23/2012	10/23/2012

Response Letters

Responded By	Created On	Date Submitted
Beau Schmitz	10/24/2012	10/24/2012

State: Arkansas **Filing Company:** Loyal American Life Insurance Company
TOI/Sub-TOI: MS05I Individual Medicare Supplement - Standard Plans/MS05I.001 Plan A
Product Name: Loyal Std 2012 Rate Filing
Project Name/Number: Loyal Std 2012 Rate Filing/Loyal Std 2012 Rate Filing

Disposition

Disposition Date: 10/30/2012

Implementation Date:

Status: Disapproved

Comment: Given the fact that this block of business is not credible, we cannot approve this rate increase at this time.

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 req'd):	Minimum % Change (where req'd):
Loyal American Life Insurance Company	5.000%	5.000%	\$8,383	89	\$167,654	5.000%	5.000%

Schedule	Schedule Item	Schedule Item Status	Public Access
Supporting Document (revised)	Health - Actuarial Justification	Disapproved	No
Supporting Document	Health - Actuarial Justification	Approved-Closed	No
Rate	Current & Proposed Rate Charts	Disapproved	No

State: Arkansas **Filing Company:** Loyal American Life Insurance Company
TOI/Sub-TOI: MS05I Individual Medicare Supplement - Standard Plans/MS05I.001 Plan A
Product Name: Loyal Std 2012 Rate Filing
Project Name/Number: Loyal Std 2012 Rate Filing/Loyal Std 2012 Rate Filing

Objection Letter

Objection Letter Status	Pending Industry Response
Objection Letter Date	10/23/2012
Submitted Date	10/23/2012
Respond By Date	11/23/2012

Dear Beau Schmitz,

Introduction:

This will acknowledge receipt of the captioned filing.

Please attach the past, future and lifetime experience for Arkansas; with and without this increase.

Conclusion:

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,

Stephanie Fowler

SERFF Tracking #:

UTAC-128735196

State Tracking #:

Company Tracking #:

LOYAL STD 2012 RATE FILING

State:

Arkansas

Filing Company:

Loyal American Life Insurance Company

TOI/Sub-TOI:

MS05I Individual Medicare Supplement - Standard Plans/MS05I.001 Plan A

Product Name:

Loyal Std 2012 Rate Filing

Project Name/Number:

Loyal Std 2012 Rate Filing/Loyal Std 2012 Rate Filing

Response Letter

Response Letter Status	Submitted to State
Response Letter Date	10/24/2012
Submitted Date	10/24/2012

Dear Stephanie Fowler,

Introduction:

Response 1

Comments:

The requested Arkansas experience has been added to the Supporting Documents. Please see "Exhibit 2 - AR Projections.pdf".

Changed Items:

State: Arkansas **Filing Company:** Loyal American Life Insurance Company
TOI/Sub-TOI: MS05I Individual Medicare Supplement - Standard Plans/MS05I.001 Plan A
Product Name: Loyal Std 2012 Rate Filing
Project Name/Number: Loyal Std 2012 Rate Filing/Loyal Std 2012 Rate Filing

Supporting Document Schedule Item Changes

Satisfied - Item: Health - Actuarial Justification

Comments:

Attachment(s):

Cover Letter - Dynamic Logo.pdf
 Actuarial Memorandum.pdf
 Exhibit 1 - Before and After.pdf
 Exhibit 2 - NW Projections.pdf
 Exhibit 3 - Description of benefits.pdf
 Exhibit 5 - Rate History.pdf
 Exhibit 2 - AR Projections.pdf

Previous Version

Satisfied - Item: *Health - Actuarial Justification*

Comments:

Attachment(s):

Cover Letter - Dynamic Logo.pdf
Actuarial Memorandum.pdf
Exhibit 1 - Before and After.pdf
Exhibit 2 - NW Projections.pdf
Exhibit 3 - Description of benefits.pdf
Exhibit 5 - Rate History.pdf

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Conclusion:

Thank you for your continued review.

Sincerely,

Beau Schmitz

State: Arkansas **Filing Company:** Loyal American Life Insurance Company
TOI/Sub-TOI: MS05I Individual Medicare Supplement - Standard Plans/MS05I.001 Plan A
Product Name: Loyal Std 2012 Rate Filing
Project Name/Number: Loyal Std 2012 Rate Filing/Loyal Std 2012 Rate Filing

Rate Information

Rate data applies to filing.

Filing Method: SERFF
Rate Change Type: Increase
Overall Percentage of Last Rate Revision: 0.000%
Effective Date of Last Rate Revision: 10/29/2011
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 req'd):	Minimum % Change (where req'd):
Loyal American Life Insurance Company	5.000%	5.000%	\$8,383	89	\$167,654	5.000%	5.000%

State: Arkansas **Filing Company:** Loyal American Life Insurance Company
TOI/Sub-TOI: MS05I Individual Medicare Supplement - Standard Plans/MS05I.001 Plan A
Product Name: Loyal Std 2012 Rate Filing
Project Name/Number: Loyal Std 2012 Rate Filing/Loyal Std 2012 Rate Filing

Rate/Rule Schedule

Item No.	Schedule Item Status	Document Name	Affected Form Numbers (Separated with commas)	Rate Action	Rate Action Information		Attachments
1	Disapproved 10/30/2012	Current & Proposed Rate Charts	L-5230, L-5231, L-5232, L-5233, L-5234, L-5235	Revised	Previous State Filing Number:	49411	Exhibit 4 - Current & Proposed Rates.pdf
					Percent Rate Change Request:	5.000	

ARKANSAS Community Rated Standardized Medicare Supplement

PLAN A Rates Effective 10/29/2011				
Form: L-5230		PREFERRED NON-SMOKER	NON-SMOKER	SMOKER
Area	Age	Annual	Annual	Annual
1	All	1270.76	1337.14	1670.41
2	All	1383.20	1456.36	1820.79
3	All	1464.49	1541.71	1926.46

PLAN B Rates Effective 10/29/2011				
Form: L-5231		PREFERRED NON-SMOKER	NON-SMOKER	SMOKER
Area	Age	Annual	Annual	Annual
1	All	1557.96	1639.25	2048.39
2	All	1694.79	1784.21	2231.28
3	All	1795.05	1889.88	2361.33

PLAN C Rates Effective 10/29/2011				
Form: L-5232		PREFERRED NON-SMOKER	NON-SMOKER	SMOKER
Area	Age	Annual	Annual	Annual
1	All	1770.66	1864.14	2331.53
2	All	1916.97	2017.23	2521.19
3	All	2021.29	2128.32	2660.73

PLAN D Rates Effective 10/29/2011				
Form: L-5233		PREFERRED NON-SMOKER	NON-SMOKER	SMOKER
Area	Age	Annual	Annual	Annual
1	All	1648.73	1735.44	2170.31
2	All	1796.40	1891.23	2365.40
3	All	1902.07	2002.32	2502.23

PLAN F Rates Effective 10/29/2011				
Form: L-5234		PREFERRED NON-SMOKER	NON-SMOKER	SMOKER
Area	Age	Annual	Annual	Annual
1	All	1777.43	1870.91	2339.66
2	All	1922.39	2024.00	2530.68
3	All	2026.71	2133.73	2668.86

PLAN G Rates Effective 10/29/2011				
Form: L-5235		PREFERRED NON-SMOKER	NON-SMOKER	SMOKER
Area	Age	Annual	Annual	Annual
1	All	1654.15	1740.86	2175.73
2	All	1803.17	1898.01	2373.53
3	All	1907.49	2007.74	2510.36

Areas:	1	716-719, 724-729	Modal Factors:	0.5200	Semi-Annual
	2	720-721		0.2650	Quarter
	3	722-723		0.0850	Monthly Bank Draft

ARKANSAS Community Rated Standardized Medicare Supplement

PLAN A Proposed Rates				5.00%
Form: L-5230		PREFERRED NON-SMOKER	NON-SMOKER	SMOKER
Area	Age	Annual	Annual	Annual
1	All	1334.30	1404.00	1753.93
2	All	1452.36	1529.18	1911.83
3	All	1537.71	1618.79	2022.78

PLAN B Proposed Rates				5.00%
Form: L-5231		PREFERRED NON-SMOKER	NON-SMOKER	SMOKER
Area	Age	Annual	Annual	Annual
1	All	1635.86	1721.21	2150.80
2	All	1779.53	1873.42	2342.84
3	All	1884.80	1984.37	2479.40

PLAN C Proposed Rates				5.00%
Form: L-5232		PREFERRED NON-SMOKER	NON-SMOKER	SMOKER
Area	Age	Annual	Annual	Annual
1	All	1859.19	1957.35	2448.10
2	All	2012.82	2118.09	2647.25
3	All	2122.35	2234.73	2793.77

PLAN D Proposed Rates				5.00%
Form: L-5233		PREFERRED NON-SMOKER	NON-SMOKER	SMOKER
Area	Age	Annual	Annual	Annual
1	All	1731.17	1822.21	2278.83
2	All	1886.22	1985.80	2483.67
3	All	1997.18	2102.44	2627.34

PLAN F Proposed Rates				5.00%
Form: L-5234		PREFERRED NON-SMOKER	NON-SMOKER	SMOKER
Area	Age	Annual	Annual	Annual
1	All	1866.31	1964.46	2456.64
2	All	2018.51	2125.20	2657.21
3	All	2128.04	2240.42	2802.30

PLAN G Proposed Rates				5.00%
Form: L-5235		PREFERRED NON-SMOKER	NON-SMOKER	SMOKER
Area	Age	Annual	Annual	Annual
1	All	1736.86	1827.90	2284.52
2	All	1893.33	1992.91	2492.20
3	All	2002.87	2108.13	2635.87

Areas:	1	716-719, 724-729	Modal Factors:	0.5200	Semi-Annual
	2	720-721		0.2650	Quarter
	3	722-723		0.0850	Monthly Bank Draft