

SERFF Tracking Number: ALST-128271108 State: Arkansas
 Filing Company: American Heritage Life Insurance Company State Tracking Number:
 Company Tracking Number:
 TOI: H071 Individual Health - Specified Disease - Limited Benefit Sub-TOI: H071.002A Dread Disease - Cancer Only
 Product Name: CP8, CP9, and CCR
 Project Name/Number: Rerate 2012/

Filing at a Glance

Company: American Heritage Life Insurance Company

Product Name: CP8, CP9, and CCR SERFF Tr Num: ALST-128271108 State: Arkansas
 TOI: H071 Individual Health - Specified Disease - Limited Benefit SERFF Status: Closed-Approved- Closed State Tr Num:
 Sub-TOI: H071.002A Dread Disease - Cancer Only Co Tr Num: State Status: Approved-Closed
 Filing Type: Rate

Author: Crystal Sackman Reviewer(s): Rosalind Minor
 Date Submitted: 04/16/2012 Disposition Date: 05/08/2012
 Disposition Status: Approved-Closed

Implementation Date Requested: On Approval
 State Filing Description:

Implementation Date:

General Information

Project Name: Rerate 2012
 Project Number:
 Requested Filing Mode: Review & Approval

Status of Filing in Domicile: Not Filed
 Date Approved in Domicile:
 Domicile Status Comments: Will file at a later date.

Explanation for Combination/Other:
 Submission Type: New Submission
 Overall Rate Impact: 20%

Market Type: Individual
 Individual Market Type:
 Filing Status Changed: 05/08/2012
 State Status Changed: 05/08/2012

Deemer Date:
 Submitted By: Crystal Sackman
 Filing Description:

Created By: Crystal Sackman
 Corresponding Filing Tracking Number:

Rate increase request for uncapped cancer forms CP8, CP9, and CCR. Arkansas' state specific experience shows it has a historical loss ratio of 84.5%. This is 55.6% higher than our target loss ratio of 54.3% which justifies a higher rate increase than the one proposed.

State Narrative:

Company and Contact

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Filing Contact Information

Crystal Sackman , Actuarial Technician/Product Development
 1776 American Heritage Life Dr. Jacksonville, FL 32224
 csack@allstate.com
 904-992-2572 [Phone]

Filing Company Information

American Heritage Life Insurance Company ATTN: Legal/Compliance
 1776 American Heritage Life Drive Jacksonville, FL 32224-9983
 (904) 992-1776 ext. [Phone]
 CoCode: 60534
 Group Code: 8
 Group Name: Allstate
 FEIN Number: 59-0781901
 State of Domicile: Florida
 Company Type: Life and Health
 State ID Number:

Filing Fees

Fee Required? Yes
 Fee Amount: \$150.00
 Retaliatory? No
 Fee Explanation: Three forms at \$50.00 per form.
 Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
American Heritage Life Insurance Company	\$150.00	04/16/2012	58004394

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Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Approved-Closed	Rosalind Minor	05/08/2012	05/08/2012

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	05/02/2012	05/02/2012	Crystal Sackman	05/08/2012	05/08/2012

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Disposition

Disposition Date: 05/08/2012

Implementation Date:

Status: Approved-Closed

Comment:

We have approved a 5% 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 Heritage Life Insurance Company	20.000%	20.000%	\$45,538	257	\$227,692	20.000%	20.000%

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Schedule	Schedule Item	Schedule Item Status	Public Access
Supporting Document	Health - Actuarial Justification	Approved-Closed	No
Supporting Document	State Specific Experience	Approved-Closed	No
Rate (revised)	Exhibit A (Premium Rates)	Approved-Closed	Yes
Rate	Exhibit A (Premium Rates)	Replaced	Yes
Rate (revised)	Exhibit A (Premium Rates)	Approved-Closed	Yes
Rate	Exhibit A (Premium Rates)	Replaced	Yes
Rate (revised)	Exhibit A (Premium Rates)	Approved-Closed	Yes
Rate	Exhibit A (Premium Rates)	Replaced	Yes

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Objection Letter

Objection Letter Status Pending Industry Response
Objection Letter Date 05/02/2012
Submitted Date 05/02/2012
Respond By Date 06/02/2012

Dear Crystal Sackman ,

This will acknowledge receipt of the captioned filing.

Objection 1

- Health - Actuarial Justification (Supporting Document)

Comment:

Based on the number of rate increases in the past on this block of business, we will consider no more than a 5% rate increase.

If you wish to accept the 5%, please submit a copy of the revised rates.

Thank you for your understanding and cooperation.

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

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Response Letter

Response Letter Status Submitted to State
Response Letter Date 05/08/2012
Submitted Date 05/08/2012

Dear Rosalind Minor,

Comments:

Response 1

Comments: Thank you for your review of this filing. At this time the Company would like to reduce its rate increase request to 5% per the recommendation of the State. Attached are revised rate pages reflecting the rate increase change. Please let me know if you have any further questions or require additional documentation. Thank you.

Related Objection 1

Applies To:

- Health - Actuarial Justification (Supporting Document)

Comment:

Based on the number of rate increases in the past on this block of business, we will consider no more than a 5% rate increase.

If you wish to accept the 5%, please submit a copy of the revised rates.

Thank you for your understanding and cooperation.

Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

Rate/Rule Schedule Item Changes

Document Name:	Affected Form Numbers:	Rate Action:	Rate Action Information:	Attach Document:
Exhibit A	CP8	Revised	Previous State Filing Number	AR.pdf

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Project Name/Number: Rerate 2012/

(Premium Rates)

Percent Rate Change Request

5

Previous Version

Exhibit A CP8 Revised Previous State Filing Number AR.pdf
(Premium Rates)

Percent Rate Change Request

20

Exhibit A CP9 Revised Previous State Filing Number AR.pdf
(Premium Rates)

Percent Rate Change Request

5

Previous Version

Exhibit A CP9 Revised Previous State Filing Number AR.pdf
(Premium Rates)

Percent Rate Change Request

20

Exhibit A CCR Revised Previous State Filing Number AR.pdf
(Premium Rates)

Percent Rate Change Request

5

Previous Version

Exhibit A CCR Revised Previous State Filing Number AR.pdf
(Premium Rates)

Percent Rate Change Request

20

Sincerely,
Crystal Sackman

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Rate Information

Rate data applies to filing.

Filing Method: Electronic
 Rate Change Type: Increase
 Overall Percentage of Last Rate Revision: 15.000%
 Effective Date of Last Rate Revision: 11/01/2009
 Filing Method of Last Filing: Electronic

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):
American Heritage Life Insurance Company	20.000%	20.000%	\$45,538	257	\$227,692	20.000%	20.000%

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 Project Name/Number: Rerate 2012/

Rate/Rule Schedule

Schedule Item Status:	Document Name:	Affected Form Numbers: (Separated with commas)	Rate Action:	Rate Action Information:	Attachments
Approved-Closed 05/08/2012	Exhibit A (Premium Rates)	CP8	Revised	Previous State Filing Number: Percent Rate Change Request: 5.000	AR.pdf
Approved-Closed 05/08/2012	Exhibit A (Premium Rates)	CP9	Revised	Previous State Filing Number: Percent Rate Change Request: 5.000	AR.pdf
Approved-Closed 05/08/2012	Exhibit A (Premium Rates)	CCR	Revised	Previous State Filing Number: Percent Rate Change Request: 5.000	AR.pdf

American Heritage Life Insurance Company (NAIC #60534)

Actuarial Memorandum for Individual A&H Rate Increase -- Exhibit A
Policy Form CP8
Arkansas

	Issue Ages	Current Monthly Premium	Requested Monthly Premium	Requested Increase Percent
Individual -Payroll	All	500.48	525.50	5%
Family -Payroll	All	788.60	828.02	5%

Modal Factors:	Semi-Annual:	0.50000000
	Quarterly:	0.25000000
	Monthly:	0.08333333

Rounding Methodology: Monthly premiums may have been rounded down to ensure that even premiums resulted to facilitate administration of payroll cases.

American Heritage Life Insurance Company (NAIC #60534)

Actuarial Memorandum for Individual A&H Rate Increase -- Exhibit A
Policy Form CP9
Arkansas

	Daily Hospital Benefit	Issue Ages	Current Monthly Premium	Requested Monthly Premium	Requested Increase Percent
Individual	\$200 Plan	All	514.10	539.80	5%
Individual	\$300 Plan	All	590.80	620.34	5%
Individual	\$400 Plan	All	679.70	713.68	5%
Family	\$200 Plan	All	817.34	858.20	5%
Family	\$300 Plan	All	939.48	986.44	5%
Family	\$400 Plan	All	1089.48	1143.94	5%

Modal Factors: Semi-Annual: 0.50000000
 Quarterly: 0.25000000
 Monthly: 0.08667000

Rounding Methodology: Monthly premiums may have been rounded down to ensure that even premiums resulted to facilitate administration of payroll cases.

American Heritage Life Insurance Company (NAIC #60534)

Actuarial Memorandum for Individual A&H Rate Increase -- Exhibit A
Policy Form CP10AR and CCR
Arkansas

CCR	Base Plan	Issue Ages	Current Base Plan Premium	Current CCR Premium	Requested CCR Premium	Requested CCR Increase Percent	New Total	Base and Rider Effective Increase
20% CCR	Ind CP10A	All	\$9.40	\$16.32	\$17.14	5%	\$26.54	3.2%
	Fam CP10A	All	\$15.50	\$30.36	\$31.88	5%	\$47.38	3.3%
	Ind CP10B	All	\$14.98	\$11.60	\$12.18	5%	\$27.16	2.2%
	Fam CP10B	All	\$25.82	\$21.40	\$22.46	5%	\$48.28	2.2%
50% CCR	Ind CP10A	All	\$9.40	\$40.80	\$42.84	5%	\$52.24	4.1%
	Fam CP10A	All	\$15.50	\$75.94	\$79.74	5%	\$95.24	4.2%
	Ind CP10B	All	\$14.98	\$29.16	\$30.62	5%	\$45.60	3.3%
	Fam CP10B	All	\$25.82	\$53.76	\$56.44	5%	\$82.26	3.4%
100% CCR	Ind CP10A	All	\$9.40	\$81.82	\$85.90	5%	\$95.30	4.5%
	Fam CP10A	All	\$15.50	\$152.02	\$159.62	5%	\$175.12	4.5%
	Ind CP10B	All	\$14.98	\$58.44	\$61.36	5%	\$76.34	4.0%
	Fam CP10B	All	\$25.82	\$107.52	\$112.88	5%	\$138.70	4.0%

Modal Factors: Semi-Annual: 0.52000000
 Quarterly: 0.26500000
 Monthly: 0.09000000

Rounding Methodology: Monthly premiums may have been rounded down to ensure that ever
 premiums resulted to facilitate administration of payroll cases

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Supporting Document Schedules

		Item Status:	Status Date:
Satisfied - Item:	Health - Actuarial Justification	Approved-Closed	05/08/2012
Comments:			
Attachment:			
AR Pool AM.pdf			

		Item Status:	Status Date:
Satisfied - Item:	State Specific Experience	Approved-Closed	05/08/2012
Comments:			
Attachment:			
Pool AR.pdf			

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Superseded Schedule Items

Please note that all items on the following pages are items, which have been replaced by a newer version. The newest version is located with the appropriate schedule on previous pages. These items are in date order with most recent first.

Creation Date:	Schedule	Schedule Item Name	Replacement Creation Date	Attached Document(s)
04/16/2012	Rate and Rule	Exhibit A (Premium Rates)	05/08/2012	AR.pdf (Superceded)
04/16/2012	Rate and Rule	Exhibit A (Premium Rates)	05/08/2012	AR.pdf (Superceded)
04/16/2012	Rate and Rule	Exhibit A (Premium Rates)	05/08/2012	AR.pdf (Superceded)

American Heritage Life Insurance Company (NAIC #60534)

Actuarial Memorandum for Individual A&H Rate Increase -- Exhibit A
Policy Form CP9
Arkansas

	Daily Hospital Benefit	Issue Ages	Current Monthly Premium	Requested Monthly Premium	Requested Increase Percent
Individual	\$200 Plan	All	514.10	616.92	20%
Individual	\$300 Plan	All	590.80	708.96	20%
Individual	\$400 Plan	All	679.70	815.64	20%
Family	\$200 Plan	All	817.34	980.80	20%
Family	\$300 Plan	All	939.48	1127.38	20%
Family	\$400 Plan	All	1089.48	1307.38	20%

Modal Factors: Semi-Annual: 0.50000000
 Quarterly: 0.25000000
 Monthly: 0.08667000

Rounding Methodology: Monthly premiums may have been rounded down to ensure that even premiums resulted to facilitate administration of payroll cases.

American Heritage Life Insurance Company (NAIC #60534)

Actuarial Memorandum for Individual A&H Rate Increase -- Exhibit A
Policy Form CP10AR and CCR
Arkansas

CCR	Base Plan	Issue Ages	Current Base Plan Premium	Current CCR Premium	Requested CCR Premium	Requested CCR Increase Percent	New Total	Base and Rider Effective Increase
20% CCR	Ind CP10A	All	\$9.40	\$16.32	\$19.58	20%	\$28.98	12.7%
	Fam CP10A	All	\$15.50	\$30.36	\$36.42	20%	\$51.92	13.2%
	Ind CP10B	All	\$14.98	\$11.60	\$13.92	20%	\$28.90	8.7%
	Fam CP10B	All	\$25.82	\$21.40	\$25.68	20%	\$51.50	9.1%
50% CCR	Ind CP10A	All	\$9.40	\$40.80	\$48.96	20%	\$58.36	16.3%
	Fam CP10A	All	\$15.50	\$75.94	\$91.12	20%	\$106.62	16.6%
	Ind CP10B	All	\$14.98	\$29.16	\$34.98	20%	\$49.96	13.2%
	Fam CP10B	All	\$25.82	\$53.76	\$64.50	20%	\$90.32	13.5%
100% CCR	Ind CP10A	All	\$9.40	\$81.82	\$98.18	20%	\$107.58	17.9%
	Fam CP10A	All	\$15.50	\$152.02	\$182.42	20%	\$197.92	18.1%
	Ind CP10B	All	\$14.98	\$58.44	\$70.12	20%	\$85.10	15.9%
	Fam CP10B	All	\$25.82	\$107.52	\$129.02	20%	\$154.84	16.1%

Modal Factors: Semi-Annual: 0.52000000
 Quarterly: 0.26500000
 Monthly: 0.09000000

Rounding Methodology: Monthly premiums may have been rounded down to ensure that ever
 premiums resulted to facilitate administration of payroll cases

American Heritage Life Insurance Company (NAIC #60534)

Actuarial Memorandum for Individual A&H Rate Increase -- Exhibit A
Policy Form CP8
Arkansas

	Issue Ages	Current Monthly Premium	Requested Monthly Premium	Requested Increase Percent
Individual -Payroll	All	500.48	600.56	20%
Family -Payroll	All	788.60	946.32	20%

Modal Factors:	Semi-Annual:	0.50000000
	Quarterly:	0.25000000
	Monthly:	0.08333333

Rounding Methodology: Monthly premiums may have been rounded down to ensure that even premiums resulted to facilitate administration of payroll cases.