Filing at a Glance

Company: Madison National Life Insurance Company, Inc.

Product Name: MNL GP 107 Revised Rate Filing 2012-09-01	SERFF Tr Num: ICCI-128543704	State: Arkansas
TOI: H16G Group Health - Major Medical	SERFF Status: Closed-Disapproved	State Tr Num:
Sub-TOI: H16G.001A Any Size Group - PPO	Co Tr Num: MNL GP 107 REVISED RATE FILING 2012-09-01	State Status: Disapproved-Closed
Filing Type: Rate		Reviewer(s): Rosalind Minor
	Author: Brenda Dawson	Disposition Date: 07/11/2012
	Date Submitted: 07/05/2012	Disposition Status: Disapproved
Implementation Date Requested: On Approval		Implementation Date:
State Filing Description:		

General Information

Project Name: MNL GP 107 Revised Rate Filing 2012-09-01
Project Number: MNL GP 107 Revised Rate Filing 2012-09-01
Requested Filing Mode: Review & Approval
Explanation for Combination/Other:
Submission Type: New Submission
Group Market Type: Non Employer Group
Filing Status Changed: 07/11/2012
State Status Changed: 07/11/2012
Created By: Brenda Dawson
Corresponding Filing Tracking Number:
PPACA: Not PPACA-Related
PPACA Notes: null
Healthcare.gov ID:

Status of Filing in Domicile: Not Filed
Date Approved in Domicile:
Domicile Status Comments:
Market Type: Group
Group Market Size: Small and Large
Overall Rate Impact:

Deemer Date:
Submitted By: Brenda Dawson

Filing Description:

This is an initial rate filing for the group association major medical insurance policy of Madison National Life Insurance Company. This policy form and rate filing is not employer business but rather a group association policy sold to individuals. This actuarial memorandum is not intended for any other purpose.

This rate filing affects Group Major Medical Expense Policy form MNL GP 107 previously approved by your Department

on August 28, 2007 under SERFF Tracking # ICCI-125266631.

Insurance Compliance Consultants, Inc., is making this filing on behalf of Madison National Life Insurance Company, Inc. A filing authorization letter is attached to the supporting documents tab.

This is an initial rate filing. Note: The trend factor changes for medical and Rx from 9/1/2011 to 9/1/2012 effective dates are 1.744 to 1.848 and 1.819 to 1.914 respectively. The overall change in year over year trend from 9/1/2011 to 9/1/2012 is 5.9%. This is the figure being reported for SERFF and HHS.
State Narrative:

Company and Contact

Filing Contact Information

Brenda Dawson, Authorized Representative Brendadawson@inscompliance.com
3925 East State Street, Suite 200 815-316-6714 [Phone]
Rockford, IL 61108 815-986-2355 [FAX]

Filing Company Information

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

Madison National Life Insurance Company, Inc.	CoCode: 65781	State of Domicile: Wisconsin
P. O. Box 5008	Group Code:	Company Type:
Madison, WI 53705	Group Name:	State ID Number:
(800) 356-9601 ext. [Phone]	FEIN Number: 39-0990296	

Filing Fees

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

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
Madison National Life Insurance Company, Inc.	$50.00	07/05/2012	60669182

Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Disapproved	Rosalind Minor	07/11/2012	07/11/2012
Rejected	Rosalind Minor	07/11/2012	07/11/2012

Disposition

Disposition Date: 07/11/2012
Implementation Date:
Status: Disapproved
HHS Status: HHS Denied
State Review: Reviewed by Actuary
Comment:

I have re-opened this submission because I marked it rejected when I should have marked it disapproved.

Based upon the lack of credibility for Arkansas and the low loss ratio, we are disapproving your request.

We appreciate 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):**
Madison National Life Insurance Company, Inc.	5.900%	5.900%	$990	4	$16,819	5.900%	5.900%
	Percent Change Approved:						
	Minimum:	%	**Maximum:**	%	**Weighted Average:**		%

Schedule	Schedule Item	Schedule Item Status	Public Access
Supporting Document	Health - Actuarial Justification	Disapproved	No
Supporting Document	Rate Summary Worksheet	Disapproved	No
Supporting Document	MNL Authorization Letter 2012	Disapproved	Yes
Rate	Rate sheet	Disapproved	No

Disposition

Disposition Date: 07/11/2012
Implementation Date:
Status: Rejected
HHS Status: HHS Denied
State Review: Reviewed by Actuary
Comment:

Our Department has thoroughly reviewed your request for a rate increase on this submission.

Based upon the lack of crredibility for Arkansas and the low loss ratio, we are disapproving your request.

We appreciate 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):**
Madison National Life Insurance Company, Inc.	5.900%	5.900%	$990	4	$16,819	5.900%	5.900%
	Percent Change Approved:						
	Minimum:	%	**Maximum:**	%	**Weighted Average:**		%

Schedule	Schedule Item	Schedule Item Status	Public Access
Supporting Document	Health - Actuarial Justification	Disapproved	No
Supporting Document	Rate Summary Worksheet	Disapproved	No
Supporting Document	MNL Authorization Letter 2012	Disapproved	Yes
Rate	Rate sheet	Disapproved	No

Rate Information

Rate data applies to filing.

Filing Method:	review and approval
Rate Change Type:	Increase
Overall Percentage of Last Rate Revision:	0.000%
Effective Date of Last Rate Revision:	
Filing Method of Last Filing:	NA

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):
Madison National Life Insurance Company, Inc.	Increase	5.900%	5.900%	$990	4	$16,819	5.900%	5.900%

Product Type:	HMO	PPO	EPO	POS	HSA	HDHP	FFS	Other
Covered Lives:		1				3		
Policy Holders:		1				3		

Rate Review Details

COMPANY:

Company Name:	Madison National Life Insurance Company, Inc.
HHS Issuer Id:	33030
Product Names:	Group Major Medical Expense
Trend Factors:	0.48

FORMS:

New Policy Forms:	
Affected Forms:	
Other Affected Forms:	MNL GP 107

REQUESTED RATE CHANGE INFORMATION:

Change Period:	Annual
Member Months:	37
Benefit Change:	Increase
Percent Change Requested:	Min: 5.9 Max: 5.9 Avg: 5.9

PRIOR RATE:

Total Earned Premium:	16,819.00
Total Incurred Claims:	3,869.00
Annual $:	Min: 70.00 Max: 658.00 Avg: 455.00

REQUESTED RATE:

Projected Earned Premium:	17,809.00
Projected Incurred Claims:	11,558.00
Annual $:	Min: 74.00 Max: 697.00 Avg: 481.00

Rate/Rule Schedule

Schedule Item Status:	Document Name:	Affected Form Numbers: (Separated with commas)	Rate Action:*	Rate Action Information:	Attachments
Disapproved 07/11/2012	Rate sheet	MNL GP 107	New		MNL_I - AR - Rate Sheet - 2012-06-29.pdf

Madison National Life
mPowerMed
Base Rates Effective 5/1/2010

< $10,000 Deductibles and all HDHP plans

Base Medical Rates

Age	Male	Female
18 & Under	107.60	115.51
19	107.65	117.96
20	107.74	120.70
21	107.87	123.77
22	108.08	126.30
23	108.36	129.25
24	108.75	131.70
25	109.25	133.96
26	109.88	136.42
27	110.64	138.50
28	111.56	141.58
29	112.64	144.81
30	113.93	149.12
31	115.45	152.90
32	117.26	157.05
33	119.40	160.79
34	121.92	164.76
35	124.83	168.95
36	128.16	173.37
37	131.95	177.99
38	136.25	182.79
39	141.13	187.74
40	146.71	192.83
41	153.09	198.01
42	160.41	203.28
43	168.73	208.61
44	178.10	214.00
45	188.50	219.45
46	199.85	224.96
47	212.06	230.52
48	225.00	236.16
49	238.53	241.14
50	252.46	245.90
51	266.64	250.93
52	280.95	255.98
53	295.39	262.10
54	310.00	267.96
55	324.85	274.09
56	339.95	280.46
57	355.21	288.78
58	370.38	295.89
59	385.09	302.83
60	398.89	311.64
61	411.34	320.41
62	422.10	328.66
63	430.95	335.93
64	437.80	342.82
65	222.90	175.43
66	226.11	179.05
67	229.50	182.29
68	232.36	185.12
69	234.61	187.48
70	236.46	189.53
71	238.13	191.45
72	239.81	193.38
73	241.88	195.05
74	244.33	196.44
75	246.95	197.74

Children Rates*

0-24 Mos	132.50	132.50
Ages 2+	88.33	88.33

Base Drug Rates

Age	Male	Female
18 & Under	58.28	98.74
19	59.04	99.97
20	60.41	100.88
21	62.27	102.97
22	64.04	105.65
23	66.15	108.73
24	68.09	112.92
25	70.05	117.14
26	72.72	120.46
27	76.44	125.05
28	80.28	129.44
29	83.17	132.11
30	87.51	134.97
31	91.60	137.47
32	94.67	140.65
33	97.33	143.59
34	99.65	146.41
35	101.80	149.26
36	103.98	152.35
37	106.39	155.84
38	110.39	161.54
39	114.98	164.56
40	120.23	168.13
41	123.63	172.16
42	127.60	176.63
43	132.19	181.56
44	137.45	188.94
45	143.36	195.00
46	149.85	201.60
47	156.91	210.83
48	164.56	218.54
49	172.75	231.21
50	185.14	244.34
51	197.63	257.56
52	210.54	270.59
53	223.72	283.39
54	236.56	290.75
55	246.60	303.27
56	255.95	310.42
57	265.41	317.76
58	270.62	319.81
59	274.98	325.35
60	280.02	331.60
61	285.06	335.34
62	295.93	339.48
63	307.08	343.91
64	318.33	348.35
65	164.62	179.73
66	169.59	184.88
67	173.86	189.35
68	177.36	193.07
69	180.17	196.08
70	182.44	198.52
71	184.33	200.57
72	186.00	202.38
73	187.53	204.01
74	189.05	205.65
75	190.56	207.28

Children Rates*

0-24 Mos	48.48	48.48
Ages 2+	48.48	48.48

Program Factor

Coverage Category	Factor
Medical	2.086
Rx	1.004

Primary Factor

Primary Type	Med	Rx
EE wo Children	1.00	1.00
ES wo Children	1.10	1.10
EC w children	0.95	0.95
EF w children	0.90	0.90

Primary Rate Calculation:
(Base Rate)*(Primary Factor)

Spouse Factor

SP Type & Plan	Med	Rx
ES HDHP	1.10	1.10
EF HDHP	0.95	0.95
ES Non-HDHP	1.05	1.05
EF Non-HDHP	0.90	0.90

Spouse Rate Calculation:
(Base Rate)*(Spouse Factor)

Child(ren) Factor

Plan Type	Med	Rx
Non-HDHP	0.90	0.95
HDHP	1.00	0.90

Child(ren) Rate Calculation:
(sum of n child(ren) rates)*((Child(ren) Factor)^(n-1))

See below for the factors broken out by number of children:

Child(ren) Factor

Plan Type	# of Children	Medical	Rx
Non-HDHP	1	1.00	1.00
Non-HDHP	2	0.90	0.95
Non-HDHP	3	0.81	0.90
Non-HDHP	4	0.73	0.86
Non-HDHP	5	0.66	0.81
Non-HDHP	6	0.59	0.77
Non-HDHP	7	0.53	0.74
Non-HDHP	8	0.48	0.70
Non-HDHP	9	0.43	0.66
HDHP	1	1.00	1.00
HDHP	2	1.00	0.90
HDHP	3	1.00	0.81
HDHP	4	1.00	0.73
HDHP	5	1.00	0.66
HDHP	6	1.00	0.59
HDHP	7	1.00	0.53
HDHP	8	1.00	0.48
HDHP	9	1.00	0.43

Child(ren) Rate Calculation:
(Sum of n child(ren) rates)*(# of Children Factor)

* If Child is the Primary, their base rate should be their child rate. Note: Please use the youngest child on the plan as the primary.

Madison National Life
mPowerMed
Base Rates Effective 5/1/2010

>= $10,000 Deductibles (non-HDHP plans only)

Base Medical Rates

Age	Male	Female
18 & Under	95.96	108.95
19	96.01	111.27
20	96.08	113.86
21	96.20	116.75
22	96.38	119.13
23	96.64	121.92
24	96.98	124.22
25	97.43	125.73
26	97.99	127.41
27	98.67	128.70
28	99.49	131.31
29	100.46	134.31
30	101.60	138.31
31	102.96	141.81
32	104.57	145.66
33	106.48	149.14
34	108.73	152.82
35	111.33	156.70
36	114.30	160.80
37	117.68	165.08
38	121.51	169.53
39	125.95	174.33
40	133.80	180.79
41	142.63	187.44
42	152.60	194.25
43	163.58	201.57
44	175.91	209.07
45	189.60	216.73
46	204.65	224.57
47	221.01	232.58
48	238.15	239.85
49	256.33	246.51
50	274.94	253.03
51	290.37	259.88
52	305.96	266.83
53	321.68	275.40
54	337.59	283.81
55	353.77	292.59
56	370.22	301.74
57	386.83	313.12
58	403.35	322.23
59	419.37	329.79
60	434.40	339.39
61	447.96	348.93
62	459.68	357.92
63	469.31	365.84
64	476.78	373.34
65	242.74	191.05
66	246.24	194.99
67	249.93	198.51
68	253.05	201.60
69	255.50	204.17
70	257.51	206.40
71	259.33	208.49
72	261.16	210.60
73	263.41	212.42
74	266.09	213.93
75	268.93	215.34

Children Rates*

0-24 Mos	121.57	121.57
Ages 2+	81.05	81.05

Base Drug Rates

Age	Male	Female
18 & Under	58.28	98.74
19	59.04	99.97
20	60.41	100.88
21	62.27	102.97
22	64.04	105.65
23	66.15	108.73
24	68.09	112.92
25	70.05	117.14
26	72.72	120.46
27	76.44	125.05
28	80.28	129.44
29	83.17	132.11
30	87.51	134.97
31	91.60	137.47
32	94.67	140.65
33	97.33	143.59
34	99.65	146.41
35	101.80	149.26
36	103.98	152.35
37	106.39	155.84
38	110.39	161.54
39	114.98	164.56
40	120.23	168.13
41	123.63	172.16
42	127.60	176.63
43	132.19	181.56
44	137.45	188.94
45	143.36	195.00
46	149.85	201.60
47	156.91	210.83
48	164.56	218.54
49	172.75	231.21
50	185.14	244.34
51	197.63	257.56
52	210.54	270.59
53	223.72	283.39
54	236.56	290.75
55	246.60	303.27
56	255.95	310.42
57	265.41	317.76
58	270.62	319.81
59	274.98	325.35
60	280.02	331.60
61	285.06	335.34
62	295.93	339.48
63	307.08	343.91
64	318.33	348.35
65	164.62	179.73
66	169.59	184.88
67	173.86	189.35
68	177.36	193.07
69	180.17	196.08
70	182.44	198.52
71	184.33	200.57
72	186.00	202.38
73	187.53	204.01
74	189.05	205.65
75	190.56	207.28

Children Rates*

0-24 Mos	48.48	48.48
Ages 2+	48.48	48.48

Program Factor

Coverage Category	Factor
Medical	2.086
Rx	1.004

Primary Factor

Primary Type	Med	Rx
EE wo Children	1.00	1.00
ES wo Children	1.10	1.10
EC w children	0.95	0.95
EF w children	0.90	0.90

Primary Rate Calculation:
(Base Rate)*(Primary Factor)

Spouse Factor

SP Type & Plan	Med	Rx
ES HDHP	1.10	1.10
EF HDHP	0.95	0.95
ES Non-HDHP	1.05	1.05
EF Non-HDHP	0.90	0.90

Spouse Rate Calculation:
(Base Rate)*(Spouse Factor)

Child(ren) Factor

Plan Type	Med	Rx
Non-HDHP	0.90	0.95
HDHP	1.00	0.90

Child(ren) Rate Calculation:
(sum of n child(ren) rates)*((Child(ren) Factor)^(n-1))

See below for the factors broken out by number of children:

Child(ren) Factor

Plan Type	# of Children	Medical	Rx
Non-HDHP	1	1.00	1.00
Non-HDHP	2	0.90	0.95
Non-HDHP	3	0.81	0.90
Non-HDHP	4	0.73	0.86
Non-HDHP	5	0.66	0.81
Non-HDHP	6	0.59	0.77
Non-HDHP	7	0.53	0.74
Non-HDHP	8	0.48	0.70
Non-HDHP	9	0.43	0.66
HDHP	1	1.00	1.00
HDHP	2	1.00	0.90
HDHP	3	1.00	0.81
HDHP	4	1.00	0.73
HDHP	5	1.00	0.66
HDHP	6	1.00	0.59
HDHP	7	1.00	0.53
HDHP	8	1.00	0.48
HDHP	9	1.00	0.43

Child(ren) Rate Calculation:
(Sum of n child(ren) rates)*(# of Children Factor)

Madison National Life
mPowerMed
Plan Factors, Rx Factors & Fees

PPO Plans

L1 PPO Plan No longer sold as of 7/10

Plan Highlights (see schedule of benefits for details):

Deductible: Multiple options listed below.
Coinsurance/Out of Pocket:
100% In Network, 70% OON Coinsurance and $0 In Network, $3,000 OON OOP
70% In Network, 50% OON Coinsurance and $5,000 In Network, $10,000 OON OOP
50% In Network, 50% OON Coinsurance and $6,000 In Network, $12,000 OON OOP
Office Visit Copay: $40 Copay with maximum of 3 office visits
Rx Copay: Generic $20 Copay, all others SAAOI
$1,000 annual maxium on Rx

Medical Plan Factors
OV: $40 Copay

Plan Factor (Medical Base)				
Deductible		Coinsurance (In Network/OON)		
In Network	Out of Network	100/70	70/50	50/50
-	750	1.307	0.870	0.770
500	1,500	0.944	0.637	0.569
1,500	4,500	0.678	0.507	0.459
2,500	7,500	0.504	0.384	0.351
5,000	15,000	0.364	0.287	0.271

Rx Plan Factors

Rx Factor (Medical Base)				
Deductible		Coinsurance (In Network/OON)		
In Network	Out of Network	100/70	70/50	50/50
-	750	0.101	0.083	0.077
500	1,500	0.073	0.061	0.057
1,500	4,500	0.049	0.045	0.043
2,500	7,500	0.033	0.031	0.030
5,000	15,000	0.020	0.020	0.020

N2 PPO Plan

Plan Highlights (see schedule of benefits for details):

Deductible: Multiple options listed below; $0 Deductible plans are no longer sold as of 7/10
Coinsurance/Out of Pocket:
100% In Network, 70% OON Coinsurance and $0 In Network, $3,000 OON OOP
80% In Network, 60% OON Coinsurance and $6,000 In Network, $12,000 OON OOP
50% In Network, 50% OON Coinsurance and $6,000 In Network, $12,000 OON OOP
Office Visit Copay: Multiple options listed below
Rx Copay: Generic $20 Copay, all others SAAOI UNLESS otherwise specified

Medical Plan Factors
OV: SAAOI

Plan Factor (Medical Base)				
Deductible		Coinsurance (In Network/OON)		
In Network	Out of Network	100/70	80/60	50/50
-	1,000	1.549	1.073	0.897
1,000	2,000	1.054	0.738	0.634
1,500	3,000	0.796	0.604	0.526
2,500	5,000	0.587	0.449	0.398
3,500	7,000	0.485	0.374	0.335
5,000	10,000	0.414	0.322	0.293
10,000	20,000	0.303	0.243	0.196
20,000	40,000	0.196	0.165	0.141

Rx Plan Factors

Rx Factor (Medical Base)				
Deductible		Coinsurance (In Network/OON)		
In Network	Out of Network	100/70	80/60	50/50
-	1,000	0.167	0.121	0.101
1,000	2,000	0.118	0.087	0.075
1,500	3,000	0.084	0.066	0.058
2,500	5,000	0.056	0.045	0.040
3,500	7,000	0.045	0.036	0.033
5,000	10,000	0.036	0.030	0.026
10,000	20,000	0.028	0.024	0.022
20,000	40,000	0.020	0.019	0.018

Medical Plan Factors
OV: $35 Copay

Plan Factor (Medical Base)				
Deductible		Coinsurance (In Network/OON)		
In Network	Out of Network	100/70	80/60	50/50
-	1,000	1.565	1.083	0.906
1,000	2,000	1.086	0.760	0.654
1,500	3,000	0.824	0.625	0.545
2,500	5,000	0.614	0.469	0.416
3,500	7,000	0.511	0.392	0.353
5,000	10,000	0.441	0.343	0.311
10,000	20,000	0.329	0.265	0.213
20,000	40,000	0.220	0.187	0.159

Other Rx Factors (Rx Base)	
Generic $15 Copay	0.19
Brand $500 Ded, $50/$75 Copay	

M5 PPO Plan

Plan Highlights (see schedule of benefits for details):

Deductible: Multiple options listed below; $0 Deductible plans are no longer sold as of 7/10
Coinsurance/Out of Pocket:
100% In Network, 70% OON Coinsurance and $0 In Network, $3,000 OON OOP
80% In Network, 60% OON Coinsurance and $4,000 In Network, $8,000 OON OOP
50% In Network, 50% OON Coinsurance and $6,000 In Network, $12,000 OON OOP
Office Visit Copay: Multiple options listed below
Rx Copay: Generic $20 Copay, all others SAAOI UNLESS otherwise specified

Madison National Life
mPowerMed
Plan Factors, Rx Factors & Fees

Medical Plan Factors
OV: SAAOI

Plan Factor (Medical Base)				
Deductible		Coinsurance (In Network/OON)		
In	Out	100/70	80/60	50/50
-	1,000	1.611	1.165	0.952
1,000	2,000	1.108	0.813	0.679
1,500	3,000	0.840	0.671	0.566
2,500	5,000	0.628	0.507	0.433
3,500	7,000	0.520	0.423	0.366
5,000	10,000	0.446	0.367	0.321
10,000	20,000	0.329	0.279	0.218
20,000	40,000	0.217	0.193	0.161

Rx Plan Factors

Rx Factor (Medical Base)				
Deductible		Coinsurance (In Network/OON)		
In Network	Out of Network	100/70	80/60	50/50
-	1,000	0.167	0.122	0.101
1,000	2,000	0.118	0.088	0.075
1,500	3,000	0.084	0.067	0.058
2,500	5,000	0.056	0.046	0.040
3,500	7,000	0.045	0.037	0.033
5,000	10,000	0.036	0.030	0.026
10,000	20,000	0.028	0.024	0.022
20,000	40,000	0.020	0.019	0.018

Medical Plan Factors
OV: $35 Copay

Plan Factor (Medical Base)				
Deductible		Coinsurance (In Network/OON)		
In	Out	100/70	80/60	50/50
-	1,000	1.628	1.177	0.961
1,000	2,000	1.141	0.838	0.700
1,500	3,000	0.871	0.695	0.586
2,500	5,000	0.657	0.530	0.453
3,500	7,000	0.549	0.446	0.386
5,000	10,000	0.474	0.390	0.342
10,000	20,000	0.358	0.303	0.237
20,000	40,000	0.244	0.217	0.181

Other Rx Factors (Rx Base)	
Generic $O Copay Formulary $250 Ded, $50 Copay Non-Formulary $500 Ded, $75 Copay	0.276
Generic $15 Copay, Formulary $50 Copay, Non-Formulary $75 Copay	0.267

Trad Plans

L1 Trad Plan No longer sold as of 7/10

Plan Highlights (see schedule of benefits for details):
Deductible: Multiple options listed below.
Coinsurance/Out of Pocket:
100% Coinsurance, $0 OOP
70% Coinsurance, $5,000 OOP
50% Coinsurance, $6,000 OOP
Office Visit Copay: $40 Copay with maximum of 3 office visits
Rx Copay: Generic $20 Copay, all others SAAOI
$1,000 annual maxium on Rx

Medical Plan Factors
OV: $40 Copay

Plan Factor (Medical Base)			
Deductible	Coinsurance		
	100%	70%	50%
-	1.753	1.177	1.048
500	1.267	0.864	0.775
1,500	0.918	0.693	0.630
2,500	0.690	0.530	0.485
5,000	0.499	0.396	0.374

Rx Plan Factors

Rx Factor (Medical Base)			
Deductible	Coinsurance		
	100%	70%	50%
-	0.101	0.083	0.077
500	0.073	0.061	0.057
1,500	0.049	0.045	0.043
2,500	0.033	0.031	0.030
5,000	0.020	0.020	0.020

N2 Trad Plan

Plan Highlights (see schedule of benefits for details):
Deductible: Multiple options listed below; $0 Deductible plans are no longer sold as of 7/10
Coinsurance/Out of Pocket:
100% Coinsurance, $0 OOP
80% Coinsurance, $6,000 OOP
50% Coinsurance, $6,000 OOP
Office Visit Copay: Multiple options listed below
Rx Copay: Generic $20 Copay, all others SAAOI UNLESS otherwise specified

Medical Plan Factors
OV: SAAOI

Plan Factor (Medical Base)

Rx Plan Factors

Rx Factor (Medical Base)

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Plan Factors, Rx Factors & Fees

Deductible	Coinsurance		
	100%	80%	50%
-	2.058	1.437	1.210
1,000	1.413	0.997	0.864
1,500	1.073	0.827	0.721
2,500	0.800	0.619	0.548
3,500	0.664	0.519	0.463
5,000	0.570	0.448	0.405
10,000	0.424	0.341	0.273
20,000	0.285	0.237	0.199

Deductible	Coinsurance		
	100%	80%	50%
-	0.167	0.122	0.101
1,000	0.118	0.088	0.075
1,500	0.084	0.067	0.058
2,500	0.056	0.046	0.040
3,500	0.045	0.037	0.033
5,000	0.036	0.030	0.026
10,000	0.028	0.024	0.019
20,000	0.020	0.019	0.016

Medical Plan Factors
OV: $35 Copay

Plan Factor (Medical Base)			
Deductible	Coinsurance		
	100%	80%	50%
-	2.079	1.452	1.222
1,000	1.456	1.028	0.891
1,500	1.112	0.857	0.747
2,500	0.836	0.649	0.573
3,500	0.700	0.547	0.488
5,000	0.607	0.478	0.431
10,000	0.461	0.370	0.296
20,000	0.319	0.266	0.223

Other Rx Factors (Rx Base)	
Generic $15 Copay, Brand $500 Ded, $50 / $75 Copay	0.19

M5 Trad Plan

Plan Highlights (see schedule of benefits for details):

Deductible: Multiple options listed below; $0 Deductible plans are no longer sold as of 7/10
Coinsurance/Out of Pocket:
100% Coinsurance, $0 OOP
80% Coinsurance, $4,000 OOP
50% Coinsurance, $6,000 OOP
Office Visit Copay: Multiple options listed below
Rx Copay: Generic $20 Copay, all others SAAOI UNLESS otherwise specified

Medical Plan Factors
OV: SAAOI

Plan Factor (Medical Base)			
Deductible	Coinsurance		
	100%	80%	50%
-	2.134	1.561	1.282
1,000	1.484	1.095	0.925
1,500	1.132	0.914	0.774
2,500	0.856	0.693	0.597
3,500	0.712	0.584	0.505
5,000	0.614	0.506	0.445
10,000	0.465	0.387	0.304
20,000	0.321	0.272	0.227

Other Rx Factors (Rx Base)	
Generic $0 Copay, Formulary $250 Ded, $50 Copay, Non-Formulary $500 Ded, $75 Copay	0.276
Generic $15 Copay, Formulary $50 Copay, Non-Formulary $75 Copay	0.267

Medical Plan Factors
OV: $35 Copay

Plan Factor (Medical Base)			
Deductible	Coinsurance		
	100%	80%	50%
-	2.155	1.577	1.295
1,000	1.530	1.129	0.954
1,500	1.174	0.947	0.802
2,500	0.896	0.725	0.624
3,500	0.751	0.615	0.533
5,000	0.654	0.539	0.473
10,000	0.505	0.421	0.330
20,000	0.361	0.306	0.256

Rx Plan Factors

Rx Factor (Medical Base)			
Deductible	Coinsurance		
	100%	80%	50%
-	0.167	0.122	0.101
1,000	0.118	0.088	0.075
1,500	0.084	0.067	0.058
2,500	0.056	0.046	0.040
3,500	0.045	0.037	0.033
5,000	0.036	0.030	0.026
10,000	0.028	0.024	0.019
20,000	0.020	0.019	0.016

HDHP Plans

PPO HDHP Plan

Plan Highlights (see schedule of benefits for details):

Deductible: Multiple options listed below.
Coinsurance: Multiple options listed below.
OOP: Multiple options listed below.

Madison National Life
mPowerMed
Plan Factors, Rx Factors & Fees

Rx: Optional SAAOI

Individual

Plan Factors (Medical Base)				
Deductible (OON 2x)	Coinsurance & OOP (In Network/OON)			
In Network	100/70 0/3000	80/60 2000/4000	80/60 3000/6000	50/50 3000/6000
1,500	0.651	0.564	0.542	0.519
2,500	0.580	0.504	0.485	0.468
3,500	0.496	0.449	0.432	0.418
5,000	0.430	0.350	0.337	0.331
5,650	0.404	0.322	0.310	0.305

Individual

Rx Factors (Medical Base)				
Deductible (OON 2x)	Coinsurance & OOP (In Network/OON)			
In Network	100/70 0/3000	80/60 2000/4000	80/60 3000/6000	50/50 3000/6000
1,500	0.092	0.072	0.069	0.067
2,500	0.071	0.057	0.055	0.053
3,500	0.052	0.044	0.043	0.041
5,000	0.042	0.032	0.031	0.029
5,650	0.039	0.029	0.029	0.027

Family

Plan Factors (Medical Base)				
Deductible (OON 2x)	Coinsurance & OOP (In Network/OON)			
In Network	100/70 0/6000	80/60 4000/8000	80/60 6000/12000	50/50 6000/12000
3,000	0.568	0.469	0.455	0.410
5,000	0.483	0.403	0.391	0.358
7,000	0.394	0.346	0.334	0.308
10,000	0.319	0.238	0.229	0.215
11,300	0.283	0.219	0.211	0.207

Family

Rx Factors (Medical Base)				
Deductible (OON 2x)	Coinsurance & OOP (In Network/OON)			
In Network	100/70 0/6000	80/60 4000/8000	80/60 6000/12000	50/50 6000/12000
3,000	0.091	0.070	0.068	0.061
5,000	0.069	0.054	0.052	0.048
7,000	0.051	0.043	0.041	0.038
10,000	0.037	0.026	0.025	0.024
11,300	0.031	0.022	0.022	0.020

Trad HDHP Plan

Plan Highlights (see schedule of benefits for details):

Deductible: Multiple options listed below.
Coinsurance: Multiple options listed below.
OOP: Multiple options listed below.
Rx: Optional SAAOI

Individual

Plan Factors (Medical Base)				
Deductible	Coinsurance & OOP			
	100% $0	80% $2000	80% $3000	50% $3000
1,500	0.879	0.767	0.737	0.711
2,500	0.788	0.691	0.664	0.641
3,500	0.680	0.620	0.596	0.547
5,000	0.593	0.487	0.469	0.434
5,650	0.557	0.458	0.441	0.408

Individual

Rx Plan Factors (Medical Base)				
Deductible	Coinsurance & OOP			
	100% $0	80% $2000	80% $3000	50% $3000
1,500	0.092	0.072	0.069	0.067
2,500	0.071	0.057	0.055	0.053
3,500	0.052	0.044	0.043	0.041
5,000	0.042	0.032	0.031	0.029
5,650	0.039	0.029	0.029	0.027

Family

Plan Factors (Medical Base)				
Deductible	Coinsurance & OOP			
	100% $0	80% $4000	80% $6000	50% $6000
3,000	0.783	0.652	0.632	0.574
5,000	0.672	0.564	0.547	0.501
7,000	0.551	0.487	0.471	0.411
10,000	0.450	0.338	0.325	0.288
11,300	0.390	0.311	0.300	0.277

Family

Rx Plan Factors (Medical Base)				
Deductible	Coinsurance & OOP			
	100% $0	80% $4000	80% $6000	50% $6000
3,000	0.091	0.070	0.068	0.061
5,000	0.069	0.054	0.052	0.048
7,000	0.051	0.043	0.041	0.038
10,000	0.037	0.026	0.025	0.024
11,300	0.031	0.022	0.022	0.020

Optional Benefits

Supplemental Accident Benefit

Plan	Member	Spouse	Per Child**
Base Rate	$5.50	$5.50	$5.50
Factors			
$500 benefit			1.00
$1,000 benefit			1.30
$2,500 benefit			1.95

**Max 3 children

Maternity* ** $110

*** Not available for HDHP Plans

Madison National Life
mPowerMed
Plan Factors, Rx Factors & Fees

24-hour Occupational Coverage Benefit Rider
For gainfully employed sole proprietors, owners and partners (applicant and/or spouse) or other individuals who are eligible to opt out of Workers' Comp. and have done so, factor is 1.0

Other Factors

Smoking Load

Ages	Factor
Under age 45	1.300
Ages 45+	1.450

Preferred Discount Factor	0.900

HSA Discount*	0.900

* Additional discount for account set up.

Underwriting

Standard IAC Medical and Occupation Underwriting apply.

PPO Network Factors

Network adjustment factors ranging from 0.7 to 1.15 may be applied to reflect discounts achieved with various PPO Networks.

Expense Factors

An expense factor adjustment ranging from .75 to 1.00 may be applied to reflect the expense levels applicable at the time.

Wellness Benefit

Wellness Benefits - Mandatory Rate for PPACA			
Base Rates	Primary	Spouse	Per Child**
All Plans	$7.87	$7.87	$6.40

** Max 3 Children

Madison National Life
mPowerMed
Trend Factors and Formula

	Annual	Monthly	Formula
Durational Factor	5.00%	0.41%	(1.0041)^M

Cases effective before 12/2011: M = Number of months since most recent renewal prior to 12/1/2011, or inception date if no renewal prior to 12/1/2011

Cases effective on or after 12/2011: M = Number of months since effective date

	Annual	Monthly	Formula
Medical Trend	9.90%	0.79%	1.722*(1.099)^(N/12)
Rx Trend	9.90%	0.79%	1.783*(1.099)^(N/12)

N=difference in months between effective date and December 2011

Eff/Ren date	N	Medical	Drug
9/1/2012	9	1.848	1.914
10/1/2012	10	1.863	1.929
11/1/2012	11	1.878	1.944
12/1/2012	12	1.892	1.960
1/1/2013	13	1.907	1.975
2/1/2013	14	1.922	1.991
3/1/2013	15	1.938	2.006
4/1/2013	16	1.953	2.022
5/1/2013	17	1.968	2.038
6/1/2013	18	1.984	2.054
7/1/2013	19	2.000	2.070
8/1/2013	20	2.015	2.087
9/1/2013	21	2.031	2.103
10/1/2013	22	2.047	2.120
11/1/2013	23	2.064	2.137
12/1/2013	24	2.080	2.154

Madison National Life Insurance Company
IHC Health Solutions
mPowerMed Health Plans
State & Area Factors

State	Factor
AR	0.529

Zip Code	Medical	Drug
716	0.80	0.90
717	0.80	0.90
718	0.90	0.95
719	0.80	0.90
720	0.90	0.95
721	0.80	0.90
722	0.90	0.95
723	0.90	0.95
724	0.80	0.90
725	0.80	0.90
726	0.80	0.90
727	0.80	0.90
728	0.80	0.90
729	0.80	0.90

Supporting Document Schedules

		Item Status:	Status Date:
Satisfied - Item:	Health - Actuarial Justification	Disapproved	07/11/2012

Comments:

Attachment:

MNL_I - AR - Actuarial Memorandum - 2012-06-29.pdf

		Item Status:	Status Date:
Satisfied - Item:	Rate Summary Worksheet	Disapproved	07/11/2012

Comments:

Attachment:

MNL_I - AR - RateSummary - Final - 2012-07-03.xls

		Item Status:	Status Date:
Satisfied - Item:	MNL Authorization Letter 2012	Disapproved	07/11/2012

Comments:

Attachment:

ICC Authorization letter Madison Nat 2012.pdf

Madison National Life

January 1, 2012

Mr. Brian Camling
President
Insurance Compliance Consultants, Inc.
3925 East State Street, Suite 200
Rockford, IL 61108

Dear Mr. Camling:

Please accept this letter as written confirmation that Insurance Compliance Consultants, Inc., has authority to file the attached form(s) or a state specific variation of it, and to act on behalf of Madison National Life Insurance Company, Inc. regarding such filings, in all jurisdictions where this form(s) or a state specific variation of it is being filed. Madison National may withdraw this authorization at any time, by giving notice to Insurance Compliance Consultants.

Sincerely,

Larry R Graber

Larry Graber