

State: Arkansas **Filing Company:** Washington National Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home & Home Health Care/LTC05I.001 Qualified
Product Name: 2012 WNIC Long Term Care
Project Name/Number: 2012 WNIC LTC Rate Filing/2012 WNIC LTC Rate Filing

Filing at a Glance

Company: Washington National Insurance Company
Product Name: 2012 WNIC Long Term Care
State: Arkansas
TOI: LTC05I Individual Long Term Care - Nursing Home & Home Health Care
Sub-TOI: LTC05I.001 Qualified
Filing Type: Rate
Date Submitted: 06/15/2012
SERFF Tr Num: CNLT-128484438
SERFF Status: Closed-Approved
State Tr Num:
State Status: Waiting Industry Response
Co Tr Num: 2012 WNIC LTC RATES

Implementation: On Approval
Date Requested:
Author(s): Adiza Caldwell, Sanja Vujic, Melanie Driemeier, Jack Dorwick
Reviewer(s): Donna Lambert (primary)
Disposition Date: 09/11/2012
Disposition Status: Approved
Implementation Date:

State Filing Description:

State: Arkansas **Filing Company:** Washington National Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home & Home Health Care/LTC05I.001 Qualified
Product Name: 2012 WNIC Long Term Care
Project Name/Number: 2012 WNIC LTC Rate Filing/2012 WNIC LTC Rate Filing

General Information

Project Name: 2012 WNIC LTC Rate Filing	Status of Filing in Domicile: Pending
Project Number: 2012 WNIC LTC 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: 20%	Filing Status Changed: 09/11/2012
	State Status Changed: 09/06/2012
Deemer Date:	Created By: Adiza Caldwell
Submitted By: Adiza Caldwell	Corresponding Filing Tracking Number:

Filing Description:

Enclosed for your review and approval, please find copies of an Actuarial Memorandum and rate sheets in support of a proposed 20% rate increase on the above referenced long term care insurance products. The rate increase applies to the base policies and any applicable benefit riders for which a premium is paid. The rate increase will be implemented on the next premium due date in accordance with state notification requirements, except where prohibited, with the additional condition that no policyholder will receive a rate increase sooner than one year after receiving a prior rate increase, if applicable. We previously submitted a 40% rate increase that was disapproved on 2/27/2012. We are submitting a 20% rate increase at this time to reduce the financial burden of a high increase on policyholders.

This filing applies to in-force policies issued in this state. The above referenced policy form series are long term care insurance products, which are no longer being sold.

Enclosed are any necessary certifications, transmittals and/or filing fees as may be required by your state. I hope that with this information your approval of this filing will be forthcoming. If you have any questions or need additional information, please feel free to contact me by email at adiza.caldwell@CNOinc.com or by phone at 1-800-888-4918 ext 72223.

Company and Contact

Filing Contact Information

Adiza Caldwell, Assistant Actuary	adiza.caldwell@CNOinc.com
11825 North Pennsylvania Street	800-888-4918 [Phone] 72223 [Ext]
Carmel, IN 46032	317-817-4155 [FAX]

Filing Company Information

Washington National Insurance Company	CoCode: 70319	State of Domicile: Indiana
11825 North Pennsylvania Street	Group Code:	Company Type: Health
Carmel, IN 46032	Group Name:	State ID Number:
(800) 888-4918 ext. 72223[Phone]	FEIN Number: 36-1933760	

Filing Fees

Fee Required?	Yes
Fee Amount:	\$35.00

State: Arkansas **Filing Company:** Washington National Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home & Home Health Care/LTC05I.001 Qualified
Product Name: 2012 WNIC Long Term Care
Project Name/Number: 2012 WNIC LTC Rate Filing/2012 WNIC LTC Rate Filing

Retaliatory? Yes
 Fee Explanation: Domicile state fee is \$35
 Per Company: No

Company	Amount	Date Processed	Transaction #
Washington National Insurance Company	\$35.00	06/15/2012	60195808
Washington National Insurance Company	\$15.00	06/22/2012	60345959

State: Arkansas **Filing Company:** Washington National Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home & Home Health Care/LTC05I.001 Qualified
Product Name: 2012 WNIC Long Term Care
Project Name/Number: 2012 WNIC LTC Rate Filing/2012 WNIC LTC Rate Filing

Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Approved	Donna Lambert	09/11/2012	09/11/2012
Approved	Donna Lambert	08/24/2012	08/24/2012
Disapproved	Donna Lambert	07/27/2012	07/27/2012

Objection Letters and Response Letters

Objection Letters

Status	Created By	Created On	Date Submitted
Pending Industry Response	Donna Lambert	09/06/2012	09/06/2012
Pending Industry Response	Donna Lambert	08/07/2012	08/07/2012
Pending Industry Response	Donna Lambert	07/20/2012	07/20/2012
Pending Industry Response	Donna Lambert	07/13/2012	07/13/2012
Pending Industry Response	Donna Lambert	06/25/2012	06/25/2012
Pending Industry Response	Donna Lambert	06/22/2012	06/22/2012

Response Letters

Responded By	Created On	Date Submitted
Melanie Driemeier	09/07/2012	09/07/2012
Melanie Driemeier	08/23/2012	08/23/2012
Melanie Driemeier	07/25/2012	07/25/2012
Melanie Driemeier	07/16/2012	07/16/2012
Adiza Caldwell	07/10/2012	07/10/2012
Adiza Caldwell	06/22/2012	06/22/2012

SERFF Tracking #:

CNLT-128484438

State Tracking #:**Company Tracking #:**

2012 WNIC LTC RATES

State:

Arkansas

Filing Company:

Washington National Insurance Company

TOI/Sub-TOI:

LTC05I Individual Long Term Care - Nursing Home & Home Health Care/LTC05I.001 Qualified

Product Name:

2012 WNIC Long Term Care

Project Name/Number:

2012 WNIC LTC Rate Filing/2012 WNIC LTC Rate Filing

Amendments

Schedule	Schedule Item Name	Created By	Created On	Date Submitted
Supporting Document	AR Objection Response 07-27-2012	Adiza Caldwell	07/30/2012	07/30/2012

Filing Notes

Subject	Note Type	Created By	Created On	Date Submitted
Previous Note to Filer	Note To Filer	Donna Lambert	07/24/2012	07/24/2012
7/20/2012 Objection	Note To Filer	Donna Lambert	07/24/2012	07/24/2012

State: Arkansas **Filing Company:** Washington National Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home & Home Health Care/LTC05I.001 Qualified
Product Name: 2012 WNIC Long Term Care
Project Name/Number: 2012 WNIC LTC Rate Filing/2012 WNIC LTC Rate Filing

Disposition

Disposition Date: 09/11/2012

Implementation Date:

Status: Approved

Comment: A rate increase is disapproved for you company's LTCI block of business submitted with this filing.

We have approved a negotiated 5% level rate increase on your company's HHCI block of business also submitted with this filing. The approval is subject to the following conditions:

1. This rate increase applies to existing business only, as this product is no longer being sold in Arkansas. 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 req'd):	Minimum % Change (where req'd):
Washington National Insurance Company	5.000%	5.000%	\$1,368	18	\$10,944	5.000%	5.000%

State: Arkansas **Filing Company:** Washington National Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home & Home Health Care/LTC05I.001 Qualified
Product Name: 2012 WNIC Long Term Care
Project Name/Number: 2012 WNIC LTC Rate Filing/2012 WNIC LTC Rate Filing

Schedule	Schedule Item	Schedule Item Status	Public Access
Supporting Document	Health - Actuarial Justification	Accepted for Informational Purposes	Yes
Supporting Document	Arkansas Only experience exhibits	Accepted for Informational Purposes	Yes
Supporting Document	AR Objection Response 07-20-2012	Accepted for Informational Purposes	Yes
Supporting Document	AR Objection Response 07-27-2012	Accepted for Informational Purposes	Yes
Rate	2012 WNIC LTC Rates	Disapproved	Yes
Rate	2012 WNIC LTC Rates 5%	Approved	Yes

State: Arkansas **Filing Company:** Washington National Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home & Home Health Care/LTC05I.001 Qualified
Product Name: 2012 WNIC Long Term Care
Project Name/Number: 2012 WNIC LTC Rate Filing/2012 WNIC LTC Rate Filing

Disposition

Disposition Date: 08/24/2012

Implementation Date:

Status: Approved

Comment: A rate increase is disapproved for you company's LTCI block of business submitted with this filing.

We have approved a negotiated 5% level rate increase on your company's HHCI block of business also submitted with this filing. The approval is subject to the following conditions:

1. This increase only applies to existing business only as this product is no longer being sold.
2. All increases in rates, other than a change in age or an individual's moving to another geographical area, must be submitted to our Department for approval.
3. After the first annual anniversary date of any policy, increases will not be given more frequently than once in a twelve (12) month period.

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):
Washington National Insurance Company	20.000%	20.000%	\$11,706	35	\$58,532	20.000%	20.000%

Schedule	Schedule Item	Schedule Item Status	Public Access
Supporting Document	Health - Actuarial Justification	Accepted for Informational Purposes	Yes
Supporting Document	Arkansas Only experience exhibits	Accepted for Informational Purposes	Yes
Supporting Document	AR Objection Response 07-20-2012	Accepted for Informational Purposes	Yes
Supporting Document	AR Objection Response 07-27-2012	Accepted for Informational Purposes	Yes
Rate	2012 WNIC LTC Rates	Disapproved	Yes
Rate	2012 WNIC LTC Rates 5%	Approved	Yes

State: Arkansas **Filing Company:** Washington National Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home & Home Health Care/LTC05I.001 Qualified
Product Name: 2012 WNIC Long Term Care
Project Name/Number: 2012 WNIC LTC Rate Filing/2012 WNIC LTC Rate Filing

Disposition

Disposition Date: 07/27/2012

Implementation Date:

Status: Disapproved

Comment: Thank you for your further explanation of this rate increase, however, based on the points of our previous disapproval we are not persuaded to approve this increase and have decided to stand by our original decision.

(Company rejected offer of 5% rate increase.)

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):
Washington National Insurance Company	20.000%	20.000%	\$11,706	35	\$58,532	20.000%	20.000%

Schedule	Schedule Item	Schedule Item Status	Public Access
Supporting Document	Health - Actuarial Justification	Accepted for Informational Purposes	Yes
Supporting Document	Arkansas Only experience exhibits	Accepted for Informational Purposes	Yes
Supporting Document	AR Objection Response 07-20-2012	Accepted for Informational Purposes	Yes
Supporting Document	AR Objection Response 07-27-2012	Accepted for Informational Purposes	Yes
Rate	2012 WNIC LTC Rates	Disapproved	Yes
Rate	2012 WNIC LTC Rates 5%	Approved	Yes

State: Arkansas **Filing Company:** Washington National Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home & Home Health Care/LTC05I.001 Qualified
Product Name: 2012 WNIC Long Term Care
Project Name/Number: 2012 WNIC LTC Rate Filing/2012 WNIC LTC Rate Filing

Objection Letter

Objection Letter Status	Pending Industry Response
Objection Letter Date	09/06/2012
Submitted Date	09/06/2012
Respond By Date	10/08/2012

Dear Adiza Caldwell,

Introduction:

I apologize, but I did not ask you to update the Company Rate Information on the Rate/Rule Schedule tab. The data needs to reflect the correct amount of the rate increase and the Written Premium Chage for this Program. Thank you for your understanding.

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,
Donna Lambert*

State: Arkansas **Filing Company:** Washington National Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home & Home Health Care/LTC05I.001 Qualified
Product Name: 2012 WNIC Long Term Care
Project Name/Number: 2012 WNIC LTC Rate Filing/2012 WNIC LTC Rate Filing

Response Letter

Response Letter Status	Submitted to State
Response Letter Date	09/07/2012
Submitted Date	09/07/2012

Dear Donna Lambert,

Introduction:

Response 1

Comments:

A post submission update has been made to revise rate data. Please let us know if anything further is needed. Thank you!

Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Conclusion:

Sincerely,

Melanie Driemeier

State: Arkansas **Filing Company:** Washington National Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home & Home Health Care/LTC05I.001 Qualified
Product Name: 2012 WNIC Long Term Care
Project Name/Number: 2012 WNIC LTC Rate Filing/2012 WNIC LTC Rate Filing

Objection Letter

Objection Letter Status	Pending Industry Response
Objection Letter Date	08/07/2012
Submitted Date	08/07/2012
Respond By Date	09/07/2012

Dear Adiza Caldwell,

Introduction:

Our Director has reconsidered the rate increase requested for the LTCI block of business, however, based on the points of our previous disapproval we are not persuaded to approve this increase and have decided to stand by our original decision.

Please send a post-submission update reflecting your acceptance of the 5% increase offered on the HHCI block of business. I can then approve this filing.

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,

Donna Lambert

State: Arkansas **Filing Company:** Washington National Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home & Home Health Care/LTC05I.001 Qualified
Product Name: 2012 WNIC Long Term Care
Project Name/Number: 2012 WNIC LTC Rate Filing/2012 WNIC LTC Rate Filing

Response Letter

Response Letter Status Submitted to State
 Response Letter Date 08/23/2012
 Submitted Date 08/23/2012

Dear Donna Lambert,

Introduction:

Response 1

Comments:

While we firmly believe current and developing experience warrants a 40% rate increase as filed, we will accept your 5% counteroffer on the HHC Block given financial considerations and our need to begin the corrective action as soon as possible. Revised premium schedules are posted under the 'Rate/Rule Schedule' tab. Thank you!

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	Attachments
2012 WNIC LTC Rates 5%	s IHP9408, IHP9409, IHP9696, IHP9700, IHP9702, IHP9746, IHP9865	New	Previous State Filing Number 0	

Conclusion:

Sincerely,

Melanie Driemeier

State: Arkansas **Filing Company:** Washington National Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home & Home Health Care/LTC05I.001 Qualified
Product Name: 2012 WNIC Long Term Care
Project Name/Number: 2012 WNIC LTC Rate Filing/2012 WNIC LTC Rate Filing

Objection Letter

Objection Letter Status	Pending Industry Response
Objection Letter Date	07/20/2012
Submitted Date	07/20/2012
Respond By Date	08/20/2012

Dear Adiza Caldwell,

Introduction:

It is the primary mission of the Arkansas Insurance Department to protect consumers. Therefore, the rate increase requested for the first block of business (Exhibit 2, page 2 of the rate schedule) is disapproved due to prior rate increase history and low historical loss ratio.

Given the current state of the economy and the impact that another rate increase will have at this time, we will consider no more than a 5% increase on the second block of business (Exhibit 2, page 9 of the rate schedule). If you wish to accept the 5%, please submit the rates and actuarial memorandum reflecting the 5%.

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,

Donna Lambert

State: Arkansas **Filing Company:** Washington National Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home & Home Health Care/LTC05I.001 Qualified
Product Name: 2012 WNIC Long Term Care
Project Name/Number: 2012 WNIC LTC Rate Filing/2012 WNIC LTC Rate Filing

Response Letter

Response Letter Status	Submitted to State
Response Letter Date	07/25/2012
Submitted Date	07/25/2012

Dear Donna Lambert,

Introduction:

Response 1

Comments:

Please see our response to your objection dated 07/20/2012 posted on the 'Supporting Documentation' tab. Thank you!

Changed Items:

Supporting Document Schedule Item Changes

Satisfied -Name: AR Objection Response 07-20-2012

Comment:

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Conclusion:

Sincerely,

Melanie Driemeier

State: Arkansas **Filing Company:** Washington National Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home & Home Health Care/LTC05I.001 Qualified
Product Name: 2012 WNIC Long Term Care
Project Name/Number: 2012 WNIC LTC Rate Filing/2012 WNIC LTC Rate Filing

Objection Letter

Objection Letter Status	Pending Industry Response
Objection Letter Date	07/13/2012
Submitted Date	07/13/2012
Respond By Date	08/13/2012

Dear Adiza Caldwell,

Introduction:

We cannot use the Arkansas experience because it is not credible. Please attach the nationwide experience.

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,
Donna Lambert

State: Arkansas **Filing Company:** Washington National Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home & Home Health Care/LTC05I.001 Qualified
Product Name: 2012 WNIC Long Term Care
Project Name/Number: 2012 WNIC LTC Rate Filing/2012 WNIC LTC Rate Filing

Response Letter

Response Letter Status	Submitted to State
Response Letter Date	07/16/2012
Submitted Date	07/16/2012

Dear Donna Lambert,

Introduction:

Response 1

Comments:

Nationwide versions of Exhibits 2, 3, and 4 can be found on the Rate/Rule Schedule tab in the file 2012 WNIC LTC AR_SERFF.pdf. Please let us know if any additional data is needed. Thank you!

Changed Items:

- No Supporting Documents changed.
- No Form Schedule items changed.
- No Rate/Rule Schedule items changed.

Conclusion:

Sincerely,
Melanie Driemeier

State: Arkansas **Filing Company:** Washington National Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home & Home Health Care/LTC05I.001 Qualified
Product Name: 2012 WNIC Long Term Care
Project Name/Number: 2012 WNIC LTC Rate Filing/2012 WNIC LTC Rate Filing

Objection Letter

Objection Letter Status	Pending Industry Response
Objection Letter Date	06/25/2012
Submitted Date	06/25/2012
Respond By Date	07/25/2012

Dear Adiza Caldwell,

Introduction:

I didn't see the experience for Arkansas. Have I overlooked it? Nationwide and Arkansas loss ratios should be identified separately. Thank you.

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,

Donna Lambert

State: Arkansas **Filing Company:** Washington National Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home & Home Health Care/LTC05I.001 Qualified
Product Name: 2012 WNIC Long Term Care
Project Name/Number: 2012 WNIC LTC Rate Filing/2012 WNIC LTC Rate Filing

Response Letter

Response Letter Status	Submitted to State
Response Letter Date	07/10/2012
Submitted Date	07/10/2012

Dear Donna Lambert,

Introduction:

Thank you for your review

Response 1

Comments:

Please see attached Exhibits 2c, 3c and 4c which present the AR only experience for each block.

Changed Items:

Supporting Document Schedule Item Changes

Satisfied -Name: Arkansas Only experience exhibits

Comment: Please see attached Exhibits 2c, 3c and 4c which present the AR only experience for each block.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Conclusion:

Adiza Caldwell

Sincerely,

Adiza Caldwell

State: Arkansas **Filing Company:** Washington National Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home & Home Health Care/LTC05I.001 Qualified
Product Name: 2012 WNIC Long Term Care
Project Name/Number: 2012 WNIC LTC Rate Filing/2012 WNIC LTC Rate Filing

Objection Letter

Objection Letter Status	Pending Industry Response
Objection Letter Date	06/22/2012
Submitted Date	06/22/2012
Respond By Date	07/23/2012

Dear Adiza Caldwell,

Introduction:

The filing fees submitted are incorrect. Please review the General Instructions for ArkansasLH or Rule and Regulation 57. The domicile fee will not be accepted unless it is greater than Arkansas's filing fee.

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,
Donna Lambert

State: Arkansas **Filing Company:** Washington National Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home & Home Health Care/LTC05I.001 Qualified
Product Name: 2012 WNIC Long Term Care
Project Name/Number: 2012 WNIC LTC Rate Filing/2012 WNIC LTC Rate Filing

Response Letter

Response Letter Status	Submitted to State
Response Letter Date	06/22/2012
Submitted Date	06/22/2012

Dear Donna Lambert,

Introduction:

Thank you for your review.

Response 1

Comments:

We have submitted the additional fees to reflect the state required filing fees.

Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Conclusion:

Adiza Caldwell

Sincerely,

Adiza Caldwell

SERFF Tracking #:

CNLT-128484438

State Tracking #:

Company Tracking #:

2012 WNIC LTC RATES

State:

Arkansas

Filing Company:

Washington National Insurance Company

TOI/Sub-TOI:

LTC05I Individual Long Term Care - Nursing Home & Home Health Care/LTC05I.001 Qualified

Product Name:

2012 WNIC Long Term Care

Project Name/Number:

2012 WNIC LTC Rate Filing/2012 WNIC LTC Rate Filing

Amendment Letter

Submitted Date: 07/30/2012

Comments:

Thank you for taking time to discuss our filing. We have attach the response to you objection dated 7-27-2012.

Changed Items:

Supporting Document Schedule Item Changes:

User Added -Name: AR Objection Response 07-27-2012

Comment:

AR Objection Response 07-27-2012.pdf

State: Arkansas **Filing Company:** Washington National Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home & Home Health Care/LTC05I.001 Qualified
Product Name: 2012 WNIC Long Term Care
Project Name/Number: 2012 WNIC LTC Rate Filing/2012 WNIC LTC Rate Filing

Note To Filer

Created By:

Donna Lambert on 07/24/2012 02:48 PM

Last Edited By:

Donna Lambert

Submitted On:

09/11/2012 09:39 AM

Subject:

Previous Note to Filer

Comments:

I apologize, the Note to Filer I just sent was not intended for this submission.

State: Arkansas **Filing Company:** Washington National Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home & Home Health Care/LTC05I.001 Qualified
Product Name: 2012 WNIC Long Term Care
Project Name/Number: 2012 WNIC LTC Rate Filing/2012 WNIC LTC Rate Filing

Note To Filer

Created By:

Donna Lambert on 07/24/2012 02:46 PM

Last Edited By:

Donna Lambert

Submitted On:

09/11/2012 09:39 AM

Subject:

7/20/2012 Objection

Comments:

Please delay your response to the objection sent on July 20, 2012. I am discussing the applicability of the objection to LTC products with one of our attorneys. Thank you for your consideration.

State: Arkansas **Filing Company:** Washington National Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home & Home Health Care/LTC05I.001 Qualified
Product Name: 2012 WNIC Long Term Care
Project Name/Number: 2012 WNIC LTC Rate Filing/2012 WNIC LTC Rate Filing

Post Submission Update Request Processed On 09/11/2012

Status: Allowed
Created By: Melanie Driemeier
Processed By: Donna Lambert
Comments:

Company Rate Information:

Company Name: Washington National Insurance Company

Field Name	Requested Change	Prior Value
Overall % Indicated Change	5.000%	20.000%
Overall % Rate Impact	5.000%	20.000%
Written Premium Change for this Program	\$1368	\$11706
# of Policy Holders Affected for this Program	18	35
Written Premium for this Program	\$10944	\$58532
Maximum %Change (where required)	5.000%	20.000%
Minimum %Change (where required)	5.000%	20.000%

SERFF Tracking #:

CNLT-128484438

State Tracking #:

Company Tracking #:

2012 WNIC LTC RATES

State: Arkansas **Filing Company:** Washington National Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home & Home Health Care/LTC05I.001 Qualified
Product Name: 2012 WNIC Long Term Care
Project Name/Number: 2012 WNIC LTC Rate Filing/2012 WNIC LTC Rate Filing

Rate Information

Rate data applies to filing.

Filing Method: SERFF
Rate Change Type: Increase
Overall Percentage of Last Rate Revision: 20.000%
Effective Date of Last Rate Revision: 01/13/2010
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):
Washington National Insurance Company	5.000%	5.000%	\$1,368	18	\$10,944	5.000%	5.000%

State: Arkansas **Filing Company:** Washington National Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home & Home Health Care/LTC05I.001 Qualified
Product Name: 2012 WNIC Long Term Care
Project Name/Number: 2012 WNIC LTC Rate Filing/2012 WNIC LTC 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 07/27/2012	2012 WNIC LTC Rates	IHP9408, IHP9409, IHP9696, IHP9700, IHP9702, IHP9746, IHP9865	New		2012 WNIC LTC AR_SERFF.pdf
2	Approved 08/24/2012	2012 WNIC LTC Rates 5%	s IHP9408, IHP9409, IHP9696, IHP9700, IHP9702, IHP9746, IHP9865	New		Revised Rates HHC-I AR 5%.pdf

Washington National Insurance Company
Individual Long Term Care Forms
8697, IHP-9041, IHP-9087, IHP-9192, IHP-9248, IHP-9278, IHP-9334, IHP-9409, IHP-9517, IHP-9670, IHP-9696, IHP-9700, IHP-9746, IHP-9865, IHP-9895, & all applicable riders

Exhibit 1
Inforce Lives and Premium by State as of 12/31/2010

<u>State</u>	<u>Lives</u>	<u>Annualized Premium</u>	<u>Avg Prem Before RtIncr</u>	<u>Avg Prem After RtIncr</u>
AR	17	\$31,171	\$1,834	\$2,200
Nationwide excl Florida	3,127	\$7,333,791	\$2,345	\$2,814

Washington National Insurance Company
Individual Long Term Care Forms
8697, IHP-9041, IHP-9087, IHP-9192, IHP-9248, IHP-9278, IHP-9334, IHP-9409, IHP-9517, IHP-9670, IHP-9696, IHP-9700, IHP-9746, IHP-9865, IHP-9895, & all applicable riders

Exhibit 2
Historical Claim Experience through 12/31/2010

Experience by Calendar Year				
Cal Year	Earned Premium	Incd Claims	Paid Claims	Incd Loss Ratio
1987	11,700	7,954	7,954	68.0%
1988	1,696,158	384,519	384,519	22.7%
1989	2,122,998	744,311	744,311	35.1%
1990	2,719,640	1,153,840	1,153,840	42.4%
1991	2,849,596	988,501	988,501	34.7%
1992	2,481,567	1,500,856	1,500,856	60.5%
1993	2,362,494	1,409,472	1,409,472	59.7%
1994	2,249,121	1,412,930	1,412,930	62.8%
1995	2,368,661	1,216,830	1,216,830	51.4%
1996	4,970,894	1,630,534	1,630,534	32.8%
1997	8,188,676	3,012,476	3,012,476	36.8%
1998	8,734,082	2,880,478	2,830,485	33.0%
1999	10,181,431	2,705,553	2,652,475	26.6%
2000	12,175,420	5,602,141	5,543,862	46.0%
2001	11,782,728	7,181,657	7,032,316	61.0%
2002	10,499,035	7,238,286	7,079,037	68.9%
2003	9,647,708	6,271,495	5,873,454	65.0%
2004	9,096,975	8,795,840	8,468,884	96.7%
2005	8,558,213	7,388,371	6,886,685	86.3%
2006	7,977,052	6,100,412	5,208,213	76.5%
2007	7,454,794	6,448,285	5,238,598	86.5%
2008	7,165,418	7,192,983	5,048,166	100.4%
2009	6,885,487	7,364,401	3,340,062	107.0%
2010	6,570,924	7,637,447	761,231	116.2%
Total	148,750,772	96,269,572	79,425,691	64.7%
Accumulated @				
4.5%	229,234,739	136,775,663	118,200,577	59.7%

Experience by Policy Year				
Pol Year	Earned Premium	Incd Claims	Paid Claims	Incd Loss Ratio
1	24,630,229	3,966,265	3,961,818	16.1%
2	15,152,400	5,715,245	5,674,228	37.7%
3	14,517,541	5,723,974	5,686,231	39.4%
4	12,517,712	8,366,624	8,303,652	66.8%
5	11,703,546	6,671,689	6,511,523	57.0%
6	10,700,306	6,592,848	6,410,208	61.6%
7	10,134,090	9,288,088	9,065,679	91.7%
8	9,377,972	7,376,843	6,672,217	78.7%
9	8,726,646	7,847,984	6,991,170	89.9%
10	8,146,908	6,774,990	5,357,603	83.2%
11	7,113,915	6,629,066	3,965,003	93.2%
12	5,284,573	6,216,403	3,212,203	117.6%
13	3,917,044	5,072,681	2,886,537	129.5%
14	2,873,316	3,816,927	1,649,162	132.8%
15	1,517,654	2,446,677	658,256	161.2%
16	671,734	1,036,312	497,972	154.3%
17	516,524	1,150,837	886,769	222.8%
18	425,366	708,519	465,392	166.6%
19	314,928	252,566	157,719	80.2%
20	240,672	308,853	249,959	128.3%
21	147,940	181,675	86,270	122.8%
22	62,643	51,162	27,042	81.7%
23	31,550	19,911	2,190	63.1%
24+	25,563	53,433	46,888	209.0%
Total	148,750,772	96,269,572	79,425,691	64.7%

Washington National Insurance Company
Individual Long Term Care Forms:
8697, IHP-9041, IHP-9087, IHP-9192, IHP-9248, IHP-9278, IHP-9334, IHP-9409, IHP-9517, IHP-
9670, IHP-9696, IHP-9700, IHP-9746, IHP-9865, IHP-9895, & all applicable riders

Exhibit 3
Projection of Lifetime Experience with Requested Rate Increase

Accumulated/Discounted @ 4.5%			
	<u>Earned Prem</u>	<u>Incd Claims</u>	<u>Loss Ratio</u>
Historical	229,234,739	136,775,663	59.7%
Proj Future	<u>45,147,961</u>	<u>82,264,004</u>	<u>182.2%</u>
Lifetime	274,382,700	219,039,667	79.8%

Non-Accumulated/Discounted Basis			
	<u>Earned Prem</u>	<u>Incd Claims</u>	<u>Loss Ratio</u>
Historical	148,750,772	96,269,572	64.7%
Proj Future	<u>58,150,594</u>	<u>117,313,233</u>	<u>201.7%</u>
Lifetime	206,901,366	213,582,805	103.2%

Detail by Year			
<u>CalYear</u>	<u>Earned Prem</u>	<u>Incd Claims</u>	<u>Loss Ratio</u>
1987	11,700	7,954	68.0%
1988	1,696,158	384,519	22.7%
1989	2,122,998	744,311	35.1%
1990	2,719,640	1,153,840	42.4%
1991	2,849,596	988,501	34.7%
1992	2,481,567	1,500,856	60.5%
1993	2,362,494	1,409,472	59.7%
1994	2,249,121	1,412,930	62.8%
1995	2,368,661	1,216,830	51.4%
1996	4,970,894	1,630,534	32.8%
1997	8,188,676	3,012,476	36.8%
1998	8,734,082	2,880,478	33.0%
1999	10,181,431	2,705,553	26.6%
2000	12,175,420	5,602,141	46.0%
2001	11,782,728	7,181,657	61.0%
2002	10,499,035	7,238,286	68.9%
2003	9,647,708	6,271,495	65.0%
2004	9,096,975	8,795,840	96.7%
2005	8,558,213	7,388,371	86.3%
2006	7,977,052	6,100,412	76.5%
2007	7,454,794	6,448,285	86.5%
2008	7,165,418	7,192,983	100.4%
2009	6,885,487	7,364,401	107.0%
2010	6,570,924	7,637,447	116.2%
2011	6,257,465	8,144,427	130.2%
2012	6,227,394	8,115,105	130.3%
2013	6,116,874	8,029,798	131.3%
2014	5,480,505	7,879,863	143.8%
2015	4,885,486	7,667,330	156.9%
2016	4,332,519	7,396,435	170.7%
2017	3,821,835	7,073,127	185.1%
2018	3,353,127	6,705,269	200.0%
2019	2,925,698	6,302,816	215.4%
2020	2,538,461	5,876,112	231.5%
2021	2,189,939	5,434,946	248.2%
2022	1,878,348	4,987,934	265.5%
2023	1,601,614	4,542,667	283.6%
2024	1,357,492	4,105,469	302.4%
2025	1,143,604	3,681,642	321.9%
2026	957,447	3,275,974	342.2%
2027	796,541	2,892,905	363.2%
2028	658,445	2,535,686	385.1%
2029	540,780	2,206,688	408.1%
2030	441,253	1,907,142	432.2%
2031	357,694	1,637,210	457.7%
2032+	288,074	6,914,688	2400.3%

Washington National Insurance Company
Individual Long Term Care Forms:
8697, IHP-9041, IHP-9087, IHP-9192, IHP-9248, IHP-9278, IHP-9334, IHP-9409, IHP-9517, IHP-
9670, IHP-9696, IHP-9700, IHP-9746, IHP-9865, IHP-9895, & all applicable riders

Exhibit 4
Projection of Lifetime Experience without Requested Rate Increase

Accumulated/Discounted @ 4.5%			
	<u>Earned Prem</u>	<u>Incd Claims</u>	<u>Loss Ratio</u>
Historical	229,234,739	136,775,663	59.7%
Proj Future	<u>39,345,390</u>	<u>82,264,004</u>	<u>209.1%</u>
Lifetime	268,580,129	219,039,667	81.6%

Non-Accumulated/Discounted Basis			
	<u>Earned Prem</u>	<u>Incd Claims</u>	<u>Loss Ratio</u>
Historical	148,750,772	96,269,572	64.7%
Proj Future	<u>50,745,677</u>	<u>117,313,233</u>	<u>231.2%</u>
Lifetime	199,496,449	213,582,805	107.1%

Detail by Year			
<u>CalYear</u>	<u>Earned Prem</u>	<u>Incd Claims</u>	<u>Loss Ratio</u>
1987	11,700	7,954	68.0%
1988	1,696,158	384,519	22.7%
1989	2,122,998	744,311	35.1%
1990	2,719,640	1,153,840	42.4%
1991	2,849,596	988,501	34.7%
1992	2,481,567	1,500,856	60.5%
1993	2,362,494	1,409,472	59.7%
1994	2,249,121	1,412,930	62.8%
1995	2,368,661	1,216,830	51.4%
1996	4,970,894	1,630,534	32.8%
1997	8,188,676	3,012,476	36.8%
1998	8,734,082	2,880,478	33.0%
1999	10,181,431	2,705,553	26.6%
2000	12,175,420	5,602,141	46.0%
2001	11,782,728	7,181,657	61.0%
2002	10,499,035	7,238,286	68.9%
2003	9,647,708	6,271,495	65.0%
2004	9,096,975	8,795,840	96.7%
2005	8,558,213	7,388,371	86.3%
2006	7,977,052	6,100,412	76.5%
2007	7,454,794	6,448,285	86.5%
2008	7,165,418	7,192,983	100.4%
2009	6,885,487	7,364,401	107.0%
2010	6,570,924	7,637,447	116.2%
2011	6,257,465	8,144,427	130.2%
2012	5,661,267	8,115,105	143.3%
2013	5,097,395	8,029,798	157.5%
2014	4,567,088	7,879,863	172.5%
2015	4,071,238	7,667,330	188.3%
2016	3,610,433	7,396,435	204.9%
2017	3,184,863	7,073,127	222.1%
2018	2,794,272	6,705,269	240.0%
2019	2,438,081	6,302,816	258.5%
2020	2,115,384	5,876,112	277.8%
2021	1,824,949	5,434,946	297.8%
2022	1,565,290	4,987,934	318.7%
2023	1,334,678	4,542,667	340.4%
2024	1,131,244	4,105,469	362.9%
2025	953,003	3,681,642	386.3%
2026	797,873	3,275,974	410.6%
2027	663,784	2,892,905	435.8%
2028	548,704	2,535,686	462.1%
2029	450,650	2,206,688	489.7%
2030	367,711	1,907,142	518.7%
2031	298,078	1,637,210	549.3%
2032+	1,012,227	6,914,688	683.1%

Washington National Insurance Company
Long Term Care Individual Forms:

IHP-9041, IHP-9087, IHP-9192, IHP-9248, IHP-9278, IHP-9334, IHP-9409, IHP-9517, IHP-9696, IHP-9700, IHP-9746, IHP-9865, IHP-9895, & all applicable riders

Exhibit 5
Rate History by Form

<u>Form #</u>	<u>Rate Increase History for Arkansas</u>
IHP-9041	25.0% effective 7/27/2008, 20.0% effective 01/13/2010
IHP-9087	25.0% effective 7/27/2008, 20.0% effective 01/13/2010
IHP-9192	25.0% effective 7/10/2003, 10.0% effective 4/28/2005, 25.0% effective 7/27/2008, 20.0% effective 01/13/2010
IHP-9248	25.0% effective 7/27/2008, 20.0% effective 01/13/2010
IHP-9278	25.0% effective 7/27/2008, 20.0% effective 01/13/2010
IHP-9334	25.0% effective 7/27/2008, 20.0% effective 01/13/2010
IHP-9409	25.0% effective 7/27/2008, 20.0% effective 01/13/2010
IHP-9517	25.0% effective 7/27/2008, 20.0% effective 01/13/2010
IHP-9696	35.0% effective 4/28/2005, 25.0% effective 7/27/2008, 20.0% effective 01/13/2010
IHP-9700	35.0% effective 4/28/2005, 25.0% effective 7/27/2008, 20.0% effective 01/13/2010
IHP-9746	25.0% effective 7/27/2008, 20.0% effective 01/13/2010
IHP-9865	35.0% effective 4/28/2005, 25.0% effective 7/27/2008, 20.0% effective 01/13/2010
IHP-9895	35.0% effective 4/28/2005, 25.0% effective 7/27/2008, 20.0% effective 01/13/2010

Washington National Insurance Company
Long Term Care Individual Forms

RATES SECTION

Rates in a typical ratesheet format are not available for all forms.
The following is a listing of current premiums being charged,
sorted by pertinent categories. Premiums for policies active in
your state at 12/31/2010 are shown before and after the requested
rate increase.

Washington National Insurance Company
Long Term Care Individual Forms

GROSS ANNUALIZED PREMIUM LIST

										20%	
Issue St	Form #	Policy #	Gender	Issue Age	Elim Period	Ben Period	\$Daily Benft	ROP Rider?	Benefit Description	Current Premium	Proposed Premium
AR	IHP9409	PL1120647A	F	67	100D	4Y	70	N	4Y 100D E PRF NDIS 10Y	\$1,545	\$1,853
AR	IHP9409	PL1156746A	F	68	100D	3Y	100	N	3Y 100D E PRF NDIS 10Y	\$1,620	\$1,944
AR	IHP9696	PL1228701A	F	57	0D	LI	70	N	LT 0D ELI PRF DIS	\$1,249	\$1,499
AR	IHP9696	PL1228702A	M	60	0D	LI	70	N	LT 0D ELI PRF DIS	\$1,550	\$1,860
AR	IHP9696	PL1256012A	M	62	30D	LI	66	N	LT 30D ELI PRF DIS	\$1,735	\$2,082
AR	IHP9696	PL1265183A	F	69	90D	5Y	60	N	5Y 90D ELI PRF NDIS	\$2,312	\$2,774
AR	IHP9696	PL1292248A	F	67	90D	LI	100	N	LT 90D ELI SEL NDIS	\$4,387	\$5,265
AR	IHP9700	PL1202716A	F	63	30D	5Y	70	N	5Y 30D ELI PRF DIS	\$919	\$1,102
AR	IHP9700	PL1210802A	F	67	30D	2Y	60	N	2Y 30D ELI PRF DIS	\$719	\$863
AR	IHP9700	PL1225374A	F	57	0D	LI	120	N	LT 0D ELI SEL NDIS	\$1,876	\$2,251
AR	IHP9746	PL1158309A	F	68	30D	5Y	60	N	5Y 30D ELI PRF NDIS	\$921	\$1,105
AR	IHP9746	PL1245705A	M	53	30D	5Y	100	N	5Y 30D ELI PRF DIS	\$488	\$585
AR	IHP9746	PL1245706A	F	54	30D	5Y	100	N	5Y 30D ELI PRF DIS	\$488	\$585
AR	IHP9865	DS1000967A	F	70	30D	2Y	60	N	2Y 30D ELI STD NDIS	\$1,962	\$2,354
AR	IHP9865	PL1279506A	F	68	0D	2Y	120	N	2Y 0D ELI STD NDIS	\$3,306	\$3,967
AR	IHP9865	PL1285576A	M	76	0D	1Y	90	N	1Y 0D ELI STD NDIS	\$2,259	\$2,711
AR	IHP9865	PL1321231A	F	70	0D	2Y	100	N	2Y 0D ELI STD NDIS	\$3,837	\$4,605

Washington National Insurance Company
 Individual Home Health Care Forms:
 IHP-6408, IHP-7408, IHP-9249, IHP-9264, IHP-9311, IHP-9408, IHP-9468, IHP-9641, IHP-9656,
 IHP-9680, IHP-9702, IHP-9748, & all applicable riders

Exhibit 1
Inforce Lives and Premium by State as of 12/31/2010

<u>State</u>	<u>Lives</u>	<u>Annualized Premium</u>	<u>Avg Prem Before RtIncr</u>	<u>Avg Prem After RtIncr</u>
AR	18	\$27,361	\$1,520	\$1,824
Nationwide excl Florida	759	\$964,452	\$1,271	\$1,525

Washington National Insurance Company
Individual Home Health Care Forms:
IHP-6408, IHP-7408, IHP-9249, IHP-9264, IHP-9311, IHP-9408, IHP-9468, IHP-9641, IHP-9656, IHP-9680, IHP-9702, IHP-9748, & all applicable riders

Exhibit 2
Historical Claim Experience through 12/31/2010

Experience by Calendar Year				
Cal Year	Earned Premium	Incd Claims	Paid Claims	Incd Loss Ratio
1989	5,162	0	0	0.0%
1990	30,112	0	0	0.0%
1991	41,848	0	0	0.0%
1992	278,422	28,728	28,728	10.3%
1993	648,387	119,821	119,821	18.5%
1994	1,057,256	708,251	708,251	67.0%
1995	1,708,072	687,205	687,205	40.2%
1996	2,827,334	1,215,220	1,215,220	43.0%
1997	3,741,551	1,540,895	1,540,895	41.2%
1998	3,612,685	1,836,222	1,807,234	50.8%
1999	3,249,684	1,902,958	1,894,538	58.6%
2000	3,148,215	1,939,407	1,915,504	61.6%
2001	2,798,694	3,431,403	3,325,085	122.6%
2002	2,486,416	3,424,516	3,273,278	137.7%
2003	2,190,962	3,142,174	2,975,399	143.4%
2004	1,981,185	4,795,957	4,518,792	242.1%
2005	1,737,375	6,420,223	5,753,536	369.5%
2006	1,555,405	2,997,665	2,359,810	192.7%
2007	1,390,394	3,729,222	2,646,234	268.2%
2008	1,284,783	3,648,175	2,011,496	284.0%
2009	1,191,084	3,555,550	1,347,523	298.5%
2010	1,036,647	3,113,487	296,052	300.3%
Total	38,001,673	48,237,079	38,424,601	126.9%
Accumulated @ 4.50%	59,612,782	65,842,765	54,802,058	110.5%

Experience by Policy Year				
Policy Year	Earned Premium	Incd Claims	Paid Claims	Incd Loss Ratio
1	6,267,904	2,016,694	2,008,467	32.2%
2	4,238,811	2,155,351	2,154,806	50.8%
3	3,938,094	2,791,941	2,768,740	70.9%
4	3,370,554	992,328	939,158	29.4%
5	2,977,798	1,980,261	1,962,023	66.5%
6	2,682,569	2,753,077	2,683,216	102.6%
7	2,419,034	3,823,819	3,670,621	158.1%
8	2,165,231	4,651,257	4,456,452	214.8%
9	1,883,372	4,112,124	3,650,945	218.3%
10	1,699,874	2,827,874	2,482,297	166.4%
11	1,517,770	3,929,898	3,528,531	258.9%
12	1,344,814	4,007,353	2,826,692	298.0%
13	1,147,577	3,078,666	1,882,051	268.3%
14	970,821	2,681,113	1,518,833	276.2%
15	670,031	2,494,853	833,776	372.3%
16	397,082	1,511,820	338,678	380.7%
17	174,846	1,598,040	551,304	914.0%
18	96,318	460,532	54,505	478.1%
19	34,951	356,310	113,506	1019.5%
20	3,645	9,188	0	252.1%
21	495	2,394	0	483.6%
22	82	2,185	0	2664.5%
Total	38,001,673	48,237,079	38,424,601	126.9%

Washington National Insurance Company
Individual Home Health Care Forms:
IHP-6408, IHP-7408, IHP-9249, IHP-9264, IHP-9311, IHP-9408, IHP-9468, IHP-9641, IHP-9656,
IHP-9680, IHP-9702, IHP-9748, & all applicable riders

Exhibit 3
Projection of Lifetime Experience with Requested Rate Increase

Accumulated/Discounted @ 4.5%			
	<u>Earned Prem</u>	<u>Incd Claims</u>	<u>Loss Ratio</u>
Historical	59,612,782	65,842,765	110.5%
Proj Future	5,349,384	24,905,105	465.6%
Lifetime	64,962,166	90,747,870	139.7%

Non-Accumulated/Discounted Basis			
	<u>Earned Prem</u>	<u>Incd Claims</u>	<u>Loss Ratio</u>
Historical	38,001,673	48,237,079	126.9%
Proj Future	6,398,113	33,302,850	520.5%
Lifetime	44,399,786	81,539,928	183.6%

Detail by Year			
<u>CalYear</u>	<u>Earned Prem</u>	<u>Incd Claims</u>	<u>Loss Ratio</u>
1989	5,162	0	0.0%
1990	30,112	0	0.0%
1991	41,848	0	0.0%
1992	278,422	28,728	10.3%
1993	648,387	119,821	18.5%
1994	1,057,256	708,251	67.0%
1995	1,708,072	687,205	40.2%
1996	2,827,334	1,215,220	43.0%
1997	3,741,551	1,540,895	41.2%
1998	3,612,685	1,836,222	50.8%
1999	3,249,684	1,902,958	58.6%
2000	3,148,215	1,939,407	61.6%
2001	2,798,694	3,431,403	122.6%
2002	2,486,416	3,424,516	137.7%
2003	2,190,962	3,142,174	143.4%
2004	1,981,185	4,795,957	242.1%
2005	1,737,375	6,420,223	369.5%
2006	1,555,405	2,997,665	192.7%
2007	1,390,394	3,729,222	268.2%
2008	1,284,783	3,648,175	284.0%
2009	1,191,084	3,555,550	298.5%
2010	1,036,647	3,113,487	300.3%
2011	869,857	2,925,250	336.3%
2012	836,007	2,874,810	343.9%
2013	790,472	2,798,120	354.0%
2014	680,658	2,702,282	397.0%
2015	581,813	2,587,393	444.7%
2016	493,323	2,446,868	496.0%
2017	415,799	2,289,588	550.6%
2018	347,804	2,117,920	608.9%
2019	288,126	1,927,554	669.0%
2020	236,289	1,721,458	728.5%
2021	192,300	1,523,753	792.4%
2022	155,410	1,334,406	858.6%
2023	124,343	1,150,743	925.5%
2024	98,423	978,014	993.7%
2025	77,144	819,192	1061.9%
2026	59,814	676,757	1131.4%
2027	45,842	551,161	1202.3%
2028	34,801	444,394	1277.0%
2029	26,163	356,114	1361.2%
2030	19,389	279,282	1440.4%
2031	14,142	214,320	1515.5%
2032+	10,194	583,470	5723.7%

Washington National Insurance Company
Individual Home Health Care Forms:
IHP-6408, IHP-7408, IHP-9249, IHP-9264, IHP-9311, IHP-9408, IHP-9468, IHP-9641, IHP-9656,
IHP-9680, IHP-9702, IHP-9748, & all applicable riders

Exhibit 4
Projection of Lifetime Experience without Requested Rate Increase

Accumulated/Discounted @ 4.5%			
	<u>Earned Prem</u>	<u>Incd Claims</u>	<u>Loss Ratio</u>
Historical	59,612,782	65,842,765	110.5%
Proj Future	4,528,730	24,905,105	549.9%
Lifetime	64,141,512	90,747,870	141.5%

Non-Accumulated/Discounted Basis			
	<u>Earned Prem</u>	<u>Incd Claims</u>	<u>Loss Ratio</u>
Historical	38,001,673	48,237,079	126.9%
Proj Future	5,559,016	33,302,850	599.1%
Lifetime	43,560,689	81,539,928	187.2%

Detail by Year			
<u>CalYear</u>	<u>Earned Prem</u>	<u>Incd Claims</u>	<u>Loss Ratio</u>
1989	5,162	0	0.0%
1990	30,112	0	0.0%
1991	41,848	0	0.0%
1992	278,422	28,728	10.3%
1993	648,387	119,821	18.5%
1994	1,057,256	708,251	67.0%
1995	1,708,072	687,205	40.2%
1996	2,827,334	1,215,220	43.0%
1997	3,741,551	1,540,895	41.2%
1998	3,612,685	1,836,222	50.8%
1999	3,249,684	1,902,958	58.6%
2000	3,148,215	1,939,407	61.6%
2001	2,798,694	3,431,403	122.6%
2002	2,486,416	3,424,516	137.7%
2003	2,190,962	3,142,174	143.4%
2004	1,981,185	4,795,957	242.1%
2005	1,737,375	6,420,223	369.5%
2006	1,555,405	2,997,665	192.7%
2007	1,390,394	3,729,222	268.2%
2008	1,284,783	3,648,175	284.0%
2009	1,191,084	3,555,550	298.5%
2010	1,036,647	3,113,487	300.3%
2011	869,857	2,925,250	336.3%
2012	760,006	2,874,810	378.3%
2013	658,727	2,798,120	424.8%
2014	567,215	2,702,282	476.4%
2015	484,845	2,587,393	533.7%
2016	411,102	2,446,868	595.2%
2017	346,499	2,289,588	660.8%
2018	289,837	2,117,920	730.7%
2019	240,105	1,927,554	802.8%
2020	196,907	1,721,458	874.2%
2021	160,250	1,523,753	950.9%
2022	129,509	1,334,406	1030.4%
2023	103,619	1,150,743	1110.6%
2024	82,019	978,014	1192.4%
2025	64,287	819,192	1274.3%
2026	49,845	676,757	1357.7%
2027	38,202	551,161	1442.8%
2028	29,001	444,394	1532.4%
2029	21,802	356,114	1633.4%
2030	16,158	279,282	1728.5%
2031	11,785	214,320	1818.6%
2032+	27,440	583,470	2126.3%

Washington National Insurance Company
Home Health Care Individual Forms:

IHP-6408, IHP-7408, IHP-9249, IHP-9264, IHP-9311, IHP-9408, IHP-9468, IHP-9641, IHP-9656, IHP-9680, IHP-9702, IHP-9748, & all applicable riders

Exhibit 5
Rate History by Form

<u>Form #</u>	<u>Rate Increase History for Arkansas</u>
IHP-6408	25.0% effective 7/27/2008, 20.0% effective 01/13/2010
IHP-7408	25.0% effective 7/27/2008, 20.0% effective 01/13/2010
IHP-9249	25.0% effective 7/27/2008, 20.0% effective 01/13/2010
IHP-9264	25.0% effective 7/27/2008, 20.0% effective 01/13/2010
IHP-9311	25.0% effective 7/27/2008, 20.0% effective 01/13/2010
IHP-9408	25.0% effective 7/27/2008, 20.0% effective 01/13/2010
IHP-9468	25.0% effective 7/27/2008, 20.0% effective 01/13/2010
IHP-9641	25.0% effective 7/27/2008, 20.0% effective 01/13/2010
IHP-9656	25.0% effective 7/27/2008, 20.0% effective 01/13/2010
IHP-9680	25.0% effective 7/27/2008, 20.0% effective 01/13/2010
IHP-9702	25.0% effective 7/27/2008, 20.0% effective 01/13/2010
IHP-9748	25.0% effective 7/27/2008, 20.0% effective 01/13/2010

Washington National Insurance Company
Home Health Care Individual Forms

RATES SECTION

Rates in a typical ratesheet format are not available for all forms. The following is a listing of current premiums being charged, sorted by pertinent categories. Premiums for policies active in your state at 12/31/2010 are shown before and after the requested rate increase.

Washington National Insurance Company
Home Health Care Individual Forms

GROSS ANNUALIZED PREMIUM LIST

Issue St	Form #	Policy #	Gender	Issue Age	Elim Period	Ben Period	\$Daily Benft	ROP Rider?	Benefit Description	Current Premium	20% Proposed Premium
AR	IHP9408	PL1088538A	F	64	0D	LI	180	N	\$180 BEN INFL STD NDIS	\$711	\$853
AR	IHP9408	PL1089347A	F	79	0D	LI	180	N	\$180 BEN INFL STD NDIS	\$1,844	\$2,212
AR	IHP9408	PL1111001A	M	68	0D	LI	180	N	\$180 BEN INFL STD NDIS	\$1,014	\$1,217
AR	IHP9408	PL1111044A	M	74	0D	LI	180	N	\$180 BEN INFL STD NDIS	\$2,123	\$2,547
AR	IHP9408	PL1111045A	F	66	0D	LI	180	N	\$180 BEN INFL STD NDIS	\$1,487	\$1,784
AR	IHP9408	PL1111055A	F	70	0D	LI	180	N	\$180 BEN INFL STD NDIS	\$1,510	\$1,812
AR	IHP9408	PL1121945A	F	68	0D	LI	180	N	\$180 BEN INFL STD NDIS	\$1,853	\$2,224
AR	IHP9408	PL1126879A	F	67	0D	LI	180	Y	\$180 BEN INFL STD NDIS	\$1,314	\$1,577
AR	IHP9408	PL1126881A	F	63	0D	LI	180	Y	\$180 BEN INFL STD NDIS	\$983	\$1,179
AR	IHP9408	PL1141474A	F	67	0D	LI	180	Y	\$180 BEN INFL STD NDIS	\$1,314	\$1,577
AR	IHP9408	PL1167084A	F	64	0D	LI	180	N	\$180 BEN NINFL STD NDIS	\$527	\$632
AR	IHP9408	PL1203777A	F	79	0D	LI	180	Y	\$180 BEN INFL STD NDIS	\$2,393	\$2,872
AR	IHP9408	PL1203782A	F	69	0D	LI	180	Y	\$180 BEN INFL STD NDIS	\$1,306	\$1,567
AR	IHP9408	PL1204642A	F	68	0D	LI	180	Y	\$180 BEN INFL STD NDIS	\$1,240	\$1,488
AR	IHP9702	PL1214650A	F	63	0D	LI	120	N	LT 0D ELI PRF NDIS	\$3,049	\$3,659
AR	IHP9702	PL1280854A	F	80	30D	2Y	100	N	2Y 30D ELI PRF NDIS	\$2,187	\$2,625
AR	IHP9702	PL1324361A	M	69	0D	3Y	100	N	3Y 0D ELI PRF DIS	\$1,253	\$1,504
AR	IHP9702	PL1324362A	F	69	0D	3Y	100	N	3Y 0D ELI PRF DIS	\$1,253	\$1,504

Washington National Insurance Company
Home Health Care Individual Forms

RATES SECTION

Rates in a typical ratesheet format are not available for all forms. The following is a listing of current premiums being charged, sorted by pertinent categories. Premiums for policies active in your state at 12/31/2010 are shown before and after the requested rate increase.

Washington National Insurance Company
Home Health Care Individual Forms

GROSS ANNUALIZED PREMIUM LIST

Issue St	Form #	Policy #	Gender	Issue Age	Elim Period	Ben Period	\$Daily Benft	ROP Rider?	Benefit Description	Current	Proposed
										Premium	Premium
AR	IHP9408	PL1088538A	F	64	0D	LI	180	N	\$180 BEN INFL STD NDIS	711.00	746.55
AR	IHP9408	PL1089347A	F	79	0D	LI	180	N	\$180 BEN INFL STD NDIS	1,843.68	1,935.86
AR	IHP9408	PL1111001A	M	68	0D	LI	180	N	\$180 BEN INFL STD NDIS	1,013.76	1,064.44
AR	IHP9408	PL1111044A	M	74	0D	LI	180	N	\$180 BEN INFL STD NDIS	2,122.50	2,228.62
AR	IHP9408	PL1111045A	F	66	0D	LI	180	N	\$180 BEN INFL STD NDIS	1,486.50	1,560.82
AR	IHP9408	PL1111055A	F	70	0D	LI	180	N	\$180 BEN INFL STD NDIS	1,509.84	1,585.33
AR	IHP9408	PL1121945A	F	68	0D	LI	180	N	\$180 BEN INFL STD NDIS	1,853.16	1,945.81
AR	IHP9408	PL1126879A	F	67	0D	LI	180	Y	\$180 BEN INFL STD NDIS	1,314.24	1,379.95
AR	IHP9408	PL1126881A	F	63	0D	LI	180	Y	\$180 BEN INFL STD NDIS	982.56	1,031.68
AR	IHP9408	PL1141474A	F	67	0D	LI	180	Y	\$180 BEN INFL STD NDIS	1,314.24	1,379.95
AR	IHP9408	PL1167084A	F	64	0D	LI	180	N	\$180 BEN NINFL STD ND	527.04	553.39
AR	IHP9408	PL1203777A	F	79	0D	LI	180	Y	\$180 BEN INFL STD NDIS	2,393.28	2,512.94
AR	IHP9408	PL1203782A	F	69	0D	LI	180	Y	\$180 BEN INFL STD NDIS	1,306.20	1,371.51
AR	IHP9408	PL1204642A	F	68	0D	LI	180	Y	\$180 BEN INFL STD NDIS	1,240.20	1,302.21
AR	IHP9702	PL1214650A	F	63	0D	LI	120	N	LT 0D ELI PRF NDIS	3,049.20	3,201.66
AR	IHP9702	PL1280854A	F	80	30D	2Y	100	N	2Y 30D ELI PRF NDIS	2,187.12	2,296.47
AR	IHP9702	PL1324361A	M	69	0D	3Y	100	N	3Y 0D ELI PRF DIS	1,253.16	1,315.81
AR	IHP9702	PL1324362A	F	69	0D	3Y	100	N	3Y 0D ELI PRF DIS	1,253.16	1,315.81

State: Arkansas **Filing Company:** Washington National Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home & Home Health Care/LTC05I.001 Qualified
Product Name: 2012 WNIC Long Term Care
Project Name/Number: 2012 WNIC LTC Rate Filing/2012 WNIC LTC Rate Filing

Supporting Document Schedules

		Item Status:	Status Date:
Satisfied - Item:	Health - Actuarial Justification	Accepted for Informational Purposes	08/24/2012
Comments:			
Attachment(s):			
Actuarial Memorandum.pdf			

		Item Status:	Status Date:
Satisfied - Item:	Arkansas Only experience exhibits	Accepted for Informational Purposes	08/24/2012
Comments:	Please see attached Exhibits 2c, 3c and 4c which present the AR only experience for each block.		
Attachment(s):			
Response to 6-25-2012 objection letter - Exhibits.pdf			

		Item Status:	Status Date:
Satisfied - Item:	AR Objection Response 07-20-2012	Accepted for Informational Purposes	08/24/2012
Comments:			
Attachment(s):			
AR Objection Response 07-20-2012.pdf			

		Item Status:	Status Date:
Satisfied - Item:	AR Objection Response 07-27-2012	Accepted for Informational Purposes	08/24/2012
Comments:			
Attachment(s):			
AR Objection Response 07-27-2012.pdf			

WASHINGTON NATIONAL INSURANCE COMPANY
(Originally Issued by Pioneer Life Insurance Company)

Rate Increase Memorandum

I. Purpose of Filing

To request a 20% rate increase due to significantly higher than anticipated future and lifetime loss ratios. The rate increase applies to the base policy forms listed in Table 1 and all associated riders. The analysis of these policy forms' historical and projected experience presented herein is separated into two form groupings: Long Term Care Individual (LTCI) and Home Health Care Individual (HHCI).

II. Scope of Filing

This filing applies to in force policies issued in your state. These policy forms are no longer being marketed. Exhibit 1, presented for each form grouping, provides a distribution of the number of policyholders and annualized premium in force as of 12/31/2010 in your state and nationwide.

III. General Description

Type of Coverage – Long Term Care.

Renewability – All Policy Forms and Riders are Guaranteed Renewable.

IV. Rate Justification Standard - Minimum Loss Ratios

Exhibits 3 and 4 for each form grouping contain experience projections and illustrate that the anticipated lifetime loss ratio with and without the requested rate increase exceeds the minimum loss ratio of 60%. The lifetime loss ratio as of 12/31/10 is calculated as the sum of accumulated past and discounted future claims divided by the sum of accumulated past and discounted future earned premiums. The Table below provides a summary of the anticipated lifetime loss ratios by form grouping.

Summary of Anticipated Lifetime Loss Ratios
By Form Grouping

From Grouping	Anticipated Lifetime Loss Ratio w/o Rate Increase (@ 4.5%)	Anticipated Lifetime Loss Ratio w/ Rate Increase (@ 4.5%)
LTCI	81.6%	79.8%
HHCI	141.5%	139.7%

V. Reason for Rate Increase

A rate increase is necessary at this time because the Company experience on its Long Term Care Insurance business indicates that the premium rates for these policy forms are inadequate due to significantly higher than anticipated future and lifetime loss ratios. The Company acknowledges its unfavorable historical and projected long term care experience and the need to take corrective

action that is equitable for both the Company and its policyholders. The Company also acknowledges that it would be unreasonable to pursue the full increase justifiable by the applicable rate justification standard in section IV of this memorandum. In an effort to minimize the one-time impact of a larger rate increase on the Company’s policyholders, the Company is proposing a 20% increase. Based on current historical and projected experience, the Company may request additional rate increases in future years. The Company will continue to monitor its experience and will file for additional rate increases if experience indicates that further increases are justified. Any increases approved by the state will be fully disclosed to all policyholders directly affected by the increases. The Company believes that this disclosure will allow its policyholders to make informed decisions regarding their long term care insurance needs.

VI. Actuarial Assumptions

A. Interest: A 4.5% annual rate of interest has been assumed for accumulating historical experience and for discounting projected future experience to the present.

B. Mortality Rates: The 1983 GAM table has been assumed for modeling future policy terminations due to death.

C. Lapse Rates: In addition to mortality rates, the voluntary lapse rates shown below were assumed in the projections illustrated in Exhibits 3 and 4.

<u>Duration</u>	<u>Voluntary Lapse Rate</u>
1	.113
2	.060
3	.037
4	.040
5	.034
6	.031
7+	.025

D. Morbidity Rates: Attained age claim costs used in projecting future experience for these forms have been developed based on Company and affiliate company experience with its Long Term Care Insurance block of business.

E. Claim Reserves: The historical experience for each form grouping is shown in Exhibit 2. The incurred claims shown in the historical experience include open and pending claim reserves and IBNR.

F. Rate Increase History: The rate increase histories for each policy form are shown in Exhibit 5.

G. Effective Date: Policyholder notification of the rate increase will begin as soon as possible subject to state insurance department approval. The rate increase will be implemented on the next premium due date in accordance with state notification requirements, except where prohibited. For the projection, the rate increase is assumed to be 50% effective in 2012, and 100% effective in 2013 and thereafter.

H. Premium Profile: The average premium per insured (including riders) for each form grouping is shown both before and after the rate increase in Exhibit 1.

VII. Historical and Projected Future Experience

Exhibit 2, provided separately for each form grouping, presents the nationwide (excluding Florida) experience on a calendar and policy year basis since inception as of 12/31/2010. Future nationwide experience has been projected for 2011 and the years following, as presented in Exhibits 3 (after rate increase) and 4 (before rate increase).

The present values of earned premium and incurred claims discounted at 4.5% after application of the proposed rate increase are summarized below. The lifetime anticipated loss ratio is defined as the present value of the historical and projected future incurred claims divided by the present value of the historical and projected future earned premiums.

PRESENT VALUES AFTER THE PROPOSED RATE INCREASE

<u>LTCI</u>	<u>Earned Premium</u>	<u>Incurred Claims</u>	<u>Loss Ratio</u>
Historical	229,234,739	136,775,663	59.7%
Projected Future	45,147,961	82,264,004	182.2%
Lifetime Anticipated	274,382,700	219,039,667	79.8%
<u>HHCI</u>	<u>Earned Premium</u>	<u>Incurred Claims</u>	<u>Loss Ratio</u>
Historical	59,612,782	65,842,765	110.5%
Projected Future	5,349,384	24,905,105	465.6%
Lifetime Anticipated	65,962,166	90,747,870	139.7%

VIII. Actuarial Certification

I hereby certify that, to the best of my knowledge and belief, the rate filing submitted herein is in compliance with all applicable laws and regulations of the state in which it is filed, and that it complies with all pertinent Actuarial Standards of Practice. I further certify that the anticipated loss ratios submitted herein are expected to develop over the period for which the rates are computed to provide coverage, that the benefits are reasonable in relation to the premiums charged, and that the rates are not unfairly discriminatory.



Sanja Vujic, FSA, MAAA
Actuary

February 23, 2012

TABLE 1

Long Term Care Individual (LTCI)

8697, IHP-9041, IHP-9087, IHP-9192, IHP-9248, IHP-9278, IHP-9334, IHP-9409, IHP-9517, IHP-9670, IHP-9696, IHP-9700, IHP-9746, IHP-9865, IHP-9895, and all applicable riders.

Home Health Care Individual (HHCI)

IHP-6408, IHP-7408, IHP-9249, IHP-9264, IHP-9311, IHP-9408, IHP-9468, IHP-9641, IHP-9656, IHP-9680, IHP-9702, IHP-9748, and all applicable riders.

Washington National Insurance Company
 Long Term Care Individual Forms:
 IHP-9041, IHP-9087, IHP-9192, IHP-9248, IHP-9278, IHP-9334, IHP-9409, IHP-9517, IHP-9696, IHP-9700, IHP-9746, IHP-9865,
 IHP-9895, & all applicable riders

Arkansas Only
Exhibit 2c

Historical Claim Experience through 12/31/2010

Experience by Calendar Year				
<u>Cal Year</u>	<u>Earned Premium</u>	<u>Incd Claims</u>	<u>Paid Claims</u>	<u>Incd Loss Ratio</u>
1994	1,023	0	0	0.0%
1995	8,532	0	0	0.0%
1996	19,650	0	0	0.0%
1997	51,912	0	0	0.0%
1998	53,535	5,009	5,009	9.4%
1999	46,651	0	0	0.0%
2000	42,377	0	0	0.0%
2001	41,810	0	0	0.0%
2002	35,040	76,078	76,078	217.1%
2003	34,258	4,937	0	14.4%
2004	32,505	0	0	0.0%
2005	31,682	0	0	0.0%
2006	33,664	347	306	1.0%
2007	27,803	122,399	100,803	440.2%
2008	24,234	0	0	0.0%
2009	24,942	200,033	81,549	802.0%
2010	23,311	26,773	0	114.8%
Total	532,929	435,575	263,745	81.7%
Accumulated @4.5%	784,461	510,412	324,363	65.1%

Experience by Policy Year				
<u>Pol Year</u>	<u>Earned Premium</u>	<u>Incd Claims</u>	<u>Paid Claims</u>	<u>Incd Loss Ratio</u>
1	94,107	0	0	0.0%
2	49,963	5,009	5,009	10.0%
3	50,914	0	0	0.0%
4	39,186	0	0	0.0%
5	41,986	0	0	0.0%
6	37,511	0	0	0.0%
7	34,084	0	0	0.0%
8	35,373	76,078	76,078	215.1%
9	32,972	4,937	0	15.0%
10	28,497	122,399	100,803	429.5%
11	25,886	347	306	1.3%
12	26,988	83,585	81,549	309.7%
13	16,744	124,794	0	745.3%
14	13,235	10,683	0	80.7%
15	4,072	6,149	0	151.0%
16	1,411	1,593	0	112.9%
Total	532,929	435,575	263,745	81.7%

Washington National Insurance Company
Individual Long Term Care Forms:
IHP-9041, IHP-9087, IHP-9192, IHP-9248, IHP-9278, IHP-9334, IHP-9409, IHP-9517, IHP-9670,
IHP-9696, IHP-9700, IHP-9746, IHP-9865, IHP-9895, & all applicable riders

Exhibit 3c
Arkansas Only

Projection of Lifetime Experience with Requested Rate Increase

Accumulated/Discounted @ 4.5%			
	<u>Earned Prem</u>	<u>Incd Claims</u>	<u>Loss Ratio</u>
Historical	784,461	510,412	65.1%
Proj Future	<u>209,742</u>	<u>380,903</u>	<u>181.6%</u>
Lifetime	994,203	891,315	89.7%

Non-Accumulated/Discounted Basis			
	<u>Earned Prem</u>	<u>Incd Claims</u>	<u>Loss Ratio</u>
Historical	532,929	435,575	81.7%
Proj Future	<u>274,645</u>	<u>542,888</u>	<u>197.7%</u>
Lifetime	807,574	978,463	121.2%

Detail by Year			
<u>CalYear</u>	<u>Earned Prem</u>	<u>Incd Claims</u>	<u>Loss Ratio</u>
1994	1,023	0	0.0%
1995	8,532	0	0.0%
1996	19,650	0	0.0%
1997	51,912	0	0.0%
1998	53,535	5,009	9.4%
1999	46,651	0	0.0%
2000	42,377	0	0.0%
2001	41,810	0	0.0%
2002	35,040	76,078	217.1%
2003	34,258	4,937	14.4%
2004	32,505	0	0.0%
2005	31,682	0	0.0%
2006	33,664	347	1.0%
2007	27,803	122,399	440.2%
2008	24,234	0	0.0%
2009	24,942	200,033	802.0%
2010	23,311	26,773	114.8%
2011	26,656	32,206	120.8%
2012	27,030	33,749	124.9%
2013	27,065	35,023	129.4%
2014	24,725	35,876	145.1%
2015	22,477	36,213	161.1%
2016	20,325	35,974	177.0%
2017	18,272	35,159	192.4%
2018	16,321	33,802	207.1%
2019	14,475	31,990	221.0%
2020	12,739	29,817	234.1%
2021	11,113	27,391	246.5%
2022	9,607	24,832	258.5%
2023	8,221	22,238	270.5%
2024	6,960	19,700	283.0%
2025	5,825	17,281	296.7%
2026	4,816	15,033	312.1%
2027	3,935	12,983	330.0%
2028	3,175	11,148	351.1%
2029	2,534	9,537	376.4%
2030	1,999	8,131	406.8%
2031	1,561	6,917	443.2%
2032+	4,815	27,888	579.2%

Washington National Insurance Company
Individual Long Term Care Forms:
IHP-9041, IHP-9087, IHP-9192, IHP-9248, IHP-9278, IHP-9334, IHP-9409, IHP-9517, IHP-9670,
IHP-9696, IHP-9700, IHP-9746, IHP-9865, IHP-9895, & all applicable riders

Exhibit 4c
Arkansas Only

Projection of Lifetime Experience without Requested Rate Increase

Accumulated/Discounted @ 4.5%			
	<u>Earned Prem</u>	<u>Incd Claims</u>	<u>Loss Ratio</u>
Historical	784,461	510,412	65.1%
Proj Future	<u>181,048</u>	<u>380,903</u>	<u>210.4%</u>
Lifetime	965,509	891,315	92.3%

Non-Accumulated/Discounted Basis			
	<u>Earned Prem</u>	<u>Incd Claims</u>	<u>Loss Ratio</u>
Historical	532,929	435,575	81.7%
Proj Future	<u>235,361</u>	<u>542,888</u>	<u>230.7%</u>
Lifetime	768,290	978,463	127.4%

Detail by Year			
<u>CalYear</u>	<u>Earned Prem</u>	<u>Incd Claims</u>	<u>Loss Ratio</u>
1994	1,023	0	0.0%
1995	8,532	0	0.0%
1996	19,650	0	0.0%
1997	51,912	0	0.0%
1998	53,535	5,009	9.4%
1999	46,651	0	0.0%
2000	42,377	0	0.0%
2001	41,810	0	0.0%
2002	35,040	76,078	217.1%
2003	34,258	4,937	14.4%
2004	32,505	0	0.0%
2005	31,682	0	0.0%
2006	33,664	347	1.0%
2007	27,803	122,399	440.2%
2008	24,234	0	0.0%
2009	24,942	200,033	802.0%
2010	23,311	26,773	114.8%
2011	26,656	32,206	120.8%
2012	24,573	33,749	137.3%
2013	22,554	35,023	155.3%
2014	20,604	35,876	174.1%
2015	18,731	36,213	193.3%
2016	16,938	35,974	212.4%
2017	15,227	35,159	230.9%
2018	13,601	33,802	248.5%
2019	12,062	31,990	265.2%
2020	10,616	29,817	280.9%
2021	9,261	27,391	295.8%
2022	8,005	24,832	310.2%
2023	6,851	22,238	324.6%
2024	5,800	19,700	339.6%
2025	4,854	17,281	356.0%
2026	4,014	15,033	374.5%
2027	3,279	12,983	396.0%
2028	2,646	11,148	421.3%
2029	2,111	9,537	451.7%
2030	1,666	8,131	488.2%
2031	1,300	6,917	531.9%
2032+	4,012	27,888	695.1%

Washington National Insurance Company
Home Health Care Individual Forms:
IHP-6408, IHP-7408, IHP-9249, IHP-9264, IHP-9311, IHP-9408, IHP-9468, IHP-9641, IHP-9656, IHP-9680, IHP-9702, IHP-9748,
& all applicable riders

Arkansas Only
Exhibit 2c

Historical Claim Experience through 12/31/2010

Experience by Calendar Year				
<u>Cal Year</u>	<u>Earned Premium</u>	<u>Incd Claims</u>	<u>Paid Claims</u>	<u>Incd Loss Ratio</u>
1994	20,235	0	0	0.0%
1995	58,423	952	952	1.6%
1996	48,629	0	0	0.0%
1997	68,927	1,294	1,294	1.9%
1998	67,092	9,780	9,780	14.6%
1999	63,881	140,995	140,995	220.7%
2000	61,527	131,758	131,758	214.1%
2001	53,093	0	0	0.0%
2002	49,068	23,312	21,763	47.5%
2003	45,252	21,737	21,737	48.0%
2004	40,791	216	0	0.5%
2005	39,434	12,854	0	32.6%
2006	31,266	0	0	0.0%
2007	27,951	266,949	188,066	955.1%
2008	28,461	161,341	93,540	566.9%
2009	31,295	271,013	89,790	866.0%
2010	29,009	78,178	0	269.5%
Total	764,334	1,120,379	699,675	146.6%
Accumulated @4.5%	1,179,369	1,405,999	945,865	119.2%

Experience by Policy Year				
<u>Pol Year</u>	<u>Earned Premium</u>	<u>Incd Claims</u>	<u>Paid Claims</u>	<u>Incd Loss Ratio</u>
1	116,329	952	952	0.8%
2	62,107	0	0	0.0%
3	74,259	1,294	1,294	1.7%
4	63,726	440	440	0.7%
5	59,613	150,335	150,335	252.2%
6	55,592	0	0	0.0%
7	51,951	131,758	131,758	253.6%
8	41,077	21,763	21,763	53.0%
9	38,991	23,286	21,737	59.7%
10	34,763	216	0	0.6%
11	35,794	188,066	188,066	525.4%
12	33,032	91,738	0	277.7%
13	28,201	12,437	0	44.1%
14	26,007	161,341	93,540	620.4%
15	23,305	252,188	74,984	1082.1%
16	17,352	57,408	14,806	330.8%
17	2,235	27,158	0	1215.1%
Total	764,334	1,120,379	699,675	146.6%

Washington National Insurance Company
Individual Home Health Care Forms:
IHP-6408, IHP-7408, IHP-9249, IHP-9264, IHP-9311, IHP-9408, IHP-9468, IHP-9641, IHP-9656,
IHP-9680, IHP-9702, IHP-9748, & all applicable riders

Exhibit 3c
Arkansas Only

Projection of Lifetime Experience with Requested Rate Increase

Accumulated/Discounted @ 4.5%			
	<u>Earned Prem</u>	<u>Incd Claims</u>	<u>Loss Ratio</u>
Historical	1,179,369	1,405,999	119.2%
Proj Future	<u>151,051</u>	<u>772,746</u>	<u>511.6%</u>
Lifetime	1,330,421	2,178,745	163.8%

Non-Accumulated/Discounted Basis			
	<u>Earned Prem</u>	<u>Incd Claims</u>	<u>Loss Ratio</u>
Historical	764,334	1,120,379	146.6%
Proj Future	<u>187,812</u>	<u>1,055,176</u>	<u>561.8%</u>
Lifetime	952,146	2,175,555	228.5%

Detail by Year			
<u>CalYear</u>	<u>Earned Prem</u>	<u>Incd Claims</u>	<u>Loss Ratio</u>
1994	20,235	0	0.0%
1995	58,423	952	1.6%
1996	48,629	0	0.0%
1997	68,927	1,294	1.9%
1998	67,092	9,780	14.6%
1999	63,881	140,995	220.7%
2000	61,527	131,758	214.1%
2001	53,093	0	0.0%
2002	49,068	23,312	47.5%
2003	45,252	21,737	48.0%
2004	40,791	216	0.5%
2005	39,434	12,854	32.6%
2006	31,266	0	0.0%
2007	27,951	266,949	955.1%
2008	28,461	161,341	566.9%
2009	31,295	271,013	866.0%
2010	29,009	78,178	269.5%
2011	24,676	71,983	291.7%
2012	23,853	73,879	283.9%
2013	22,506	75,377	287.1%
2014	19,597	77,491	338.9%
2015	16,695	78,030	400.6%
2016	14,331	78,183	467.6%
2017	12,142	76,913	543.0%
2018	10,338	74,552	618.1%
2019	8,642	69,903	693.3%
2020	7,186	63,859	761.7%
2021	5,924	57,327	829.4%
2022	4,881	50,546	887.6%
2023	3,961	43,486	941.0%
2024	3,189	36,640	984.7%
2025	2,532	30,232	1023.3%
2026	1,976	24,452	1060.7%
2027	1,515	19,417	1098.8%
2028	1,147	15,264	1140.7%
2029	853	11,806	1186.3%
2030	626	8,785	1203.2%
2031	436	6,232	1224.4%
2032+	804	10,818	1153.2%

Washington National Insurance Company
Individual Home Health Care Forms:
IHP-6408, IHP-7408, IHP-9249, IHP-9264, IHP-9311, IHP-9408, IHP-9468, IHP-9641, IHP-9656,
IHP-9680, IHP-9702, IHP-9748, & all applicable riders

Exhibit 4c
Arkansas Only

Projection of Lifetime Experience without Requested Rate Increase

Accumulated/Discounted @ 4.5%			
	<u>Earned Prem</u>	<u>Incd Claims</u>	<u>Loss Ratio</u>
Historical	1,179,369	1,405,999	119.2%
Proj Future	<u>131,591</u>	<u>772,746</u>	<u>587.2%</u>
Lifetime	1,310,960	2,178,745	166.2%

Non-Accumulated/Discounted Basis			
	<u>Earned Prem</u>	<u>Incd Claims</u>	<u>Loss Ratio</u>
Historical	764,334	1,120,379	146.6%
Proj Future	<u>162,429</u>	<u>1,055,176</u>	<u>649.6%</u>
Lifetime	926,763	2,175,555	234.7%

Detail by Year			
<u>CalYear</u>	<u>Earned Prem</u>	<u>Incd Claims</u>	<u>Loss Ratio</u>
1994	20,235	0	0.0%
1995	58,423	952	1.6%
1996	48,629	0	0.0%
1997	68,927	1,294	1.9%
1998	67,092	9,780	14.6%
1999	63,881	140,995	220.7%
2000	61,527	131,758	214.1%
2001	53,093	0	0.0%
2002	49,068	23,312	47.5%
2003	45,252	21,737	48.0%
2004	40,791	216	0.5%
2005	39,434	12,854	32.6%
2006	31,266	0	0.0%
2007	27,951	266,949	955.1%
2008	28,461	161,341	566.9%
2009	31,295	271,013	866.0%
2010	29,009	78,178	269.5%
2011	24,676	71,983	291.7%
2012	21,685	73,879	340.7%
2013	18,755	75,377	401.9%
2014	16,331	77,491	474.5%
2015	13,912	78,030	560.9%
2016	11,942	78,183	654.7%
2017	10,118	76,913	760.1%
2018	8,615	74,552	865.4%
2019	7,202	69,903	970.6%
2020	5,988	63,859	1066.4%
2021	4,937	57,327	1161.2%
2022	4,068	50,546	1242.6%
2023	3,301	43,486	1317.4%
2024	2,658	36,640	1378.5%
2025	2,110	30,232	1432.6%
2026	1,647	24,452	1485.0%
2027	1,262	19,417	1538.3%
2028	956	15,264	1596.9%
2029	711	11,806	1660.9%
2030	522	8,785	1684.5%
2031	364	6,232	1714.2%
2032+	670	10,818	1614.5%

CNO Services, L.L.C.
11825 N. Pennsylvania St.
P. O. Box 1911
Carmel, IN 46032-1911

July 25, 2012

RE: 2012 WNIC LTC Rate Filing

Dear Ms. Lambert:

Thank you for your letter dated July 20, 2012 regarding the above referenced rate increase filing. The following is in response to your objection.

It is the primary mission of the Arkansas Insurance Department to protect consumers. Therefore, the rate increase requested for the first block of business (Exhibit 2, page 2 of the rate schedule) is disapproved due to prior rate increase history and low historical loss ratio.

Given the current state of the economy and the impact that another rate increase will have at this time, we will consider no more than a 5% increase on the second block of business (Exhibit 2, page 9 of the rate schedule). If you wish to accept the 5%, please submit the rates and actuarial memorandum reflecting the 5%.

We understand that the Department is concerned with the rate increase history for this block of LTC policy forms. The rate increases taken on these blocks have been a necessary action to address the significantly higher than originally expected lifetime loss ratios experienced and anticipated on these forms. While we understand your concern regarding the rate actions that have been taken on these policies, we believe that the solution to the higher than expected loss ratios should include indicated rate actions that bring the rates to a level more in line with that experience.

Thank you for reviewing the information provided herein. If you have additional questions, please feel free to call me at 800-888-4918, x72223. Thank you.

Sincerely,



Adiza Caldwell
Assistant Actuary
Phone: 800-888-4918, extension 72223
Fax: (317) 817-4155
E-mail: Adiza.Caldwell@cnoinc.com

CNO Services, L.L.C.
11825 N. Pennsylvania St.
P. O. Box 1911
Carmel, IN 46032-1911

July 30, 2012

RE: 2012 WNIC LTC Rate Filing

Dear Ms. Lambert:

Thank you for taking time to discuss with me and for your letter dated July 27, 2012 regarding the above referenced rate increase filing. The following is in response to your objection.

Thank you for your further explanation of this rate increase, however, based on the points of our previous disapproval we are not persuaded to approve this increase and have decided to stand by our original decision.

(Company rejected offer of 5% rate increase.)

The company accepts the 5% counteroffer for the HHCI forms. We would like to ask you to consider the same 5% increase for the LTCI forms as both block of business have a bad experience.

Thank you for reviewing the information provided herein. If you have additional questions, please feel free to call me at 800-888-4918, x72223. Thank you.

Sincerely,



Adiza Caldwell
Assistant Actuary
Phone: 800-888-4918, extension 72223
Fax: (317) 817-4155
E-mail: Adiza.Caldwell@cnoinc.com