Filing at a Glance

Company:	MedAmerica Insurance Company
Product Name:	Long-Term Care
State:	Arkansas
TOI:	LTC03I Individual Long Term Care
Sub-TOI:	LTC03I.001 Qualified
Filing Type:	Rate
Date Submitted:	01/22/2013
SERFF Tr Num:	MILL-128832173
SERFF Status:	Closed-Disapproved
State Tr Num:	
State Status:	Disapproved-Closed
Co Tr Num:	SIMPLICITY
Implementation Date Requested:	On Approval
Author(s):	Missy Gordon, Jeff Anderson, Stephanie Moench, Colin Skow, Courtney Williamson, Travis Reisch, Charlie Faus
Reviewer(s):	Donna Lambert (primary)
Disposition Date:	01/24/2013
Disposition Status:	Disapproved
Implementation Date:	

State Filing Description:

State: *Arkansas* **Filing Company:** *MedAmerica Insurance Company*
TOI/Sub-TOI: *LTC03I Individual Long Term Care/LTC03I.001 Qualified*
Product Name: *Long-Term Care*
Project Name/Number: *Simplicity Rate Increase/145MAI01-60.02*

General Information

Project Name: Simplicity Rate Increase
Project Number: 145MAI01-60.02
Requested Filing Mode: Review & Approval

Explanation for Combination/Other:
Submission Type: New Submission
Overall Rate Impact: 34%

Deemer Date:
Submitted By: Jeff Anderson

Status of Filing in Domicile: Pending
Date Approved in Domicile:
Domicile Status Comments: This filing was submitted to Pennsylvania on January 14, 2013.

Market Type: Individual
Individual Market Type:
Filing Status Changed: 01/24/2013
State Status Changed: 01/24/2013
Created By: Colin Skow
Corresponding Filing Tracking Number:

Filing Description:

This is an existing individual policy form that provides comprehensive long-term care coverage on a cash basis. Riders that convert the coverage to either facility only or community care only may have been available at issue. Policies were issued in Arkansas from May 13, 2004 to October 2, 2007 and are no longer being marketed in this jurisdiction.

MedAmerica is requesting the approval of a premium rate increase on this form, including all associated riders. The primary reason why this form is in need of a premium rate increase is due to a combination of higher persistency and lower interest than expected in pricing. The company is requesting a premium rate increase that varies by issue age. The rate increase was determined by issue age to better align the rate increase with the adverse experience and to protect older insureds. The rate increase varies from 0% to 60% and averages 34% in Arkansas.

MedAmerica will offer insureds affected by the premium increase the option of reducing their policy benefits to provide flexibility of choice for those insureds who wish to maintain a premium level reasonably similar to what they were paying prior to the rate increase. The company will offer a contingent benefit upon lapse to insureds that trigger a substantial rate increase. Additionally, MedAmerica will voluntarily offer a contingent benefit upon lapse to insureds affected by the rate increase, even if the increase is not considered substantial.

Company and Contact

Filing Contact Information

Missy Gordon, FSA, MAAA, Actuary
8500 Normandale Lake Blvd.
Suite 1850
Minneapolis, MN 55437-3830

missy.gordon@milliman.com
952-820-2478 [Phone]
952-897-5301 [FAX]

Filing Company Information

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

MedAmerica Insurance Company
165 Court Street
Rochester, NY 14647
(800) 544-0327 ext. [Phone]

CoCode: 69515
Group Code: 1186
Group Name: Lifetime HealthCare Group
FEIN Number: 34-0977231

State of Domicile: Pennsylvania
Company Type: Life/Accident/Health
State ID Number:

State: *Arkansas* **Filing Company:** *MedAmerica Insurance Company*
TOI/Sub-TOI: *LTC03I Individual Long Term Care/LTC03I.001 Qualified*
Product Name: *Long-Term Care*
Project Name/Number: *Simplicity Rate Increase/145MAI01-60.02*

Filing Fees

Fee Required? Yes

Fee Amount: $50.00

Retaliatory? Yes

Fee Explanation: The required filing fee is the greater of the Arkansas fee ($50) or the domicile state fee ($0).

Per Company: No

Company	Amount	Date Processed	Transaction #
MedAmerica Insurance Company	$50.00	01/22/2013	66767780

State: *Arkansas* **Filing Company:** *MedAmerica Insurance Company*
TOI/Sub-TOI: *LTC03I Individual Long Term Care/LTC03I.001 Qualified*
Product Name: *Long-Term Care*
Project Name/Number: *Simplicity Rate Increase/145MAI01-60.02*

Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Disapproved	Donna Lambert	01/24/2013	01/24/2013

State: *Arkansas* **Filing Company:** *MedAmerica Insurance Company*
TOI/Sub-TOI: *LTC03I Individual Long Term Care/LTC03I.001 Qualified*
Product Name: *Long-Term Care*
Project Name/Number: *Simplicity Rate Increase/145MAI01-60.02*

Disposition

Disposition Date: 01/24/2013
Implementation Date:
Status: Disapproved

Comment: It is the primary mission of the Arkansas Insurance Department to protect consumers. Arkansas is a relatively low-income state, and most of the consumers who would be affected by your proposed rate increase would suffer an undue hardship given the low loss ratio history demonstrated in this filing (indicating that your company has enjoyed healthy profits on this block of business in the past). Therefore, we cannot approve a rate increase at this time.

Company Name:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	# of Policy Holders Affected for this Program:	Written Premium for this Program:	Maximum % Change (where req'd):	Minimum % Change (where req'd):
MedAmerica Insurance Company	%	34.000%	$30,241	73	$89,244	60.000%	0.000%

Schedule	Schedule Item	Schedule Item Status	Public Access
Supporting Document	Health - Actuarial Justification	Disapproved	No
Supporting Document	Cover Letter	Disapproved	Yes
Supporting Document	Letter of Authorization	Disapproved	Yes
Rate	Rate Tables	Disapproved	Yes

State: *Arkansas* **Filing Company:** *MedAmerica Insurance Company*
TOI/Sub-TOI: *LTC03I Individual Long Term Care/LTC03I.001 Qualified*
Product Name: *Long-Term Care*
Project Name/Number: *Simplicity Rate Increase/145MAI01-60.02*

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:

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):
MedAmerica Insurance Company	%	34.000%	$30,241	73	$89,244	60.000%	0.000%

State: *Arkansas* **Filing Company:** *MedAmerica Insurance Company*
TOI/Sub-TOI: *LTC03I Individual Long Term Care/LTC03I.001 Qualified*
Product Name: *Long-Term Care*
Project Name/Number: *Simplicity Rate Increase/145MAI01-60.02*

Rate/Rule Schedule

Item No.	Schedule Item Status	Document Name	Affected Form Numbers (Separated with commas)	Rate Action	Rate Action Information		Attachments
1	Disapproved 01/24/2013	Rate Tables	SPL-336	Revised	Previous State Filing Number:	This form was originally approved in 2004.	AR_MedAmerica_Simplicity Premium Rates_20130122.pdf
					Percent Rate Change Request:	34.000	

MEDAMERICA INSURANCE COMPANY
POLICY SERIES SPL-336
ANNUAL PREMIUM RATES WITH THE REQUESTED RATE INCREASE
PREMIUMS PER $300 FACILITY MONTHLY BENEFIT
LONG TERM CARE POLICIES

Integrated Plan HHC at 80%
Lifetime Payment Plan
90 day Elimination Period
Married one insured rates

Indexing: Compound - No Maximum
Individual Underwriting
Rate Class II

	Premium Rates					
Issue Age	**24 Month Plan**	**36 Month Plan**	**48 Month Plan**	**60 Month Plan**	**84 Month Plan**	**Unlimited Plan**
18-29	54	74	86	99	117	162
30	58	77	91	104	123	170
31	59	78	94	107	128	176
32	61	82	98	112	131	182
33	64	85	101	115	136	189
34	66	88	106	120	141	195
35	67	90	109	123	146	202
36	70	93	112	128	150	208
37	72	96	117	133	157	216
38	75	101	120	138	162	224
39	78	104	125	142	168	230
40	78	105	126	144	170	234
41	81	108	131	148	175	242
42	84	112	136	154	183	250
43	87	117	140	159	189	259
44	90	120	145	165	195	268
45	90	120	146	165	195	269
46	93	125	150	171	203	278
47	98	129	156	177	210	288
48	101	135	162	185	218	299
49	105	140	168	192	227	311
50	105	142	171	194	229	314
51	110	147	178	201	238	326
52	114	153	185	210	248	339
53	120	159	193	219	258	352
54	124	166	200	228	269	366
55	124	167	201	228	269	367
56	130	174	210	239	282	382
57	135	182	219	248	294	399
58	142	190	229	259	306	417
59	148	199	240	272	322	435
60	151	201	244	276	326	441
61	160	214	259	294	347	468
62	170	228	275	312	369	498
63	181	243	293	333	392	528
64	192	258	311	353	417	560
65	192	258	312	354	418	563
66	204	275	332	377	445	599
67	217	293	354	402	475	638
68	232	312	377	428	506	680
69	246	332	402	457	541	726
70	247	333	405	460	544	729
71	263	356	432	492	581	779
72	280	380	460	524	620	831
73	298	405	490	559	662	886
74	318	431	523	597	706	945
75	354	482	588	672	801	1,080
76	375	511	624	715	852	1,148
77	397	542	662	759	905	1,219
78	420	574	702	805	961	1,294
79	444	609	745	855	1,021	1,373
80	482	662	812	933	N/A	N/A
81	511	702	863	992	N/A	N/A
82	541	745	916	1,053	N/A	N/A
83	572	788	970	1,117	N/A	N/A
84	603	833	1,026	1,181	N/A	N/A
85	692	962	1,191	1,376	N/A	N/A

MEDAMERICA INSURANCE COMPANY
POLICY SERIES SPL-336
ANNUAL PREMIUM RATES WITH THE REQUESTED RATE INCREASE
PREMIUMS PER $300 FACILITY MONTHLY BENEFIT
LONG TERM CARE POLICIES

Integrated Plan HHC at 80%
Lifetime Payment Plan
90 day Elimination Period
Married one insured rates

Indexing: Compound 2X
Individual Underwriting
Rate Class II

	Premium Rates					
Issue Age	**24 Month Plan**	**36 Month Plan**	**48 Month Plan**	**60 Month Plan**	**84 Month Plan**	**Unlimited Plan**
18-29	16	19	22	26	29	40
30	16	21	24	27	30	42
31	18	21	26	29	32	43
32	18	22	27	30	35	46
33	19	24	29	32	37	50
34	19	26	30	34	40	53
35	21	27	32	35	42	56
36	22	29	34	38	45	59
37	24	30	37	40	48	64
38	26	32	38	43	51	67
39	27	35	42	46	54	72
40	28	36	42	48	56	75
41	30	39	45	51	61	80
42	31	41	48	55	64	86
43	34	44	51	59	69	92
44	36	47	56	62	73	98
45	38	48	57	65	75	101
46	39	51	62	69	81	108
47	42	56	66	74	87	116
48	45	60	71	80	93	125
49	48	63	77	86	99	134
50	51	66	79	89	104	139
51	54	72	85	96	112	149
52	58	76	92	104	120	159
53	63	82	98	111	128	171
54	67	89	105	120	139	184
55	69	91	109	123	144	190
56	75	99	117	132	155	204
57	80	106	127	144	167	221
58	87	115	137	155	179	237
59	94	124	148	167	195	255
60	98	129	155	174	203	267
61	107	142	169	191	222	292
62	116	155	184	209	243	319
63	128	169	203	228	266	348
64	139	184	221	249	290	381
65	144	192	229	259	302	400
66	157	210	251	283	331	437
67	172	229	275	311	362	479
68	187	250	300	340	397	526
69	204	272	329	372	436	576
70	209	280	338	382	449	593
71	227	305	368	417	489	649
72	246	332	400	454	534	709
73	268	360	435	495	582	773
74	289	390	472	537	633	841
75	328	445	541	618	732	982
76	353	479	583	666	791	1,062
77	378	514	627	717	853	1,145
78	404	551	673	770	917	1,231
79	431	589	721	826	984	1,320
80	471	646	792	909	N/A	N/A
81	502	690	847	973	N/A	N/A
82	534	735	903	1,038	N/A	N/A
83	567	781	961	1,106	N/A	N/A
84	600	828	1,019	1,173	N/A	N/A
85	690	958	1,186	1,371	N/A	N/A

MEDAMERICA INSURANCE COMPANY
POLICY SERIES SPL-336
ANNUAL PREMIUM RATES WITH THE REQUESTED RATE INCREASE
PREMIUMS PER $300 FACILITY MONTHLY BENEFIT
LONG TERM CARE POLICIES

Integrated Plan HHC at 80%
Lifetime Payment Plan
90 day Elimination Period
Married one insured rates

Indexing: Simple
Individual Underwriting
Rate Class II

	Premium Rates					
Issue Age	**24 Month Plan**	**36 Month Plan**	**48 Month Plan**	**60 Month Plan**	**84 Month Plan**	**Unlimited Plan**
18-29	21	27	34	38	45	64
30	22	29	35	40	46	67
31	24	30	37	42	50	70
32	26	32	38	45	53	75
33	26	34	42	46	56	80
34	27	37	43	50	59	83
35	29	38	46	53	62	88
36	30	40	48	54	66	94
37	32	43	51	59	69	99
38	34	45	54	62	74	106
39	37	48	58	66	78	110
40	37	50	59	67	81	114
41	39	51	62	72	86	122
42	42	55	67	76	90	128
43	44	58	70	80	95	136
44	47	62	75	86	101	144
45	48	63	77	87	104	146
46	51	68	81	92	110	155
47	54	71	86	98	116	164
48	57	75	92	104	123	173
49	60	80	96	110	131	183
50	61	83	99	114	134	190
51	66	88	107	121	143	200
52	70	93	112	128	152	213
53	74	99	120	136	162	225
54	79	105	127	145	172	239
55	80	108	130	148	175	244
56	86	115	138	157	186	259
57	91	123	148	168	199	275
58	97	130	157	179	211	293
59	104	139	167	190	225	311
60	107	143	173	197	232	320
61	115	155	187	213	252	344
62	125	168	203	230	272	372
63	134	181	218	248	293	400
64	144	195	236	268	316	431
65	148	199	241	274	324	442
66	160	216	260	296	350	478
67	173	233	282	322	379	515
68	187	252	305	348	412	557
69	202	272	330	376	445	602
70	206	278	337	383	454	614
71	221	299	364	415	490	662
72	238	323	393	447	531	715
73	258	349	424	484	574	772
74	277	376	457	522	619	832
75	313	427	521	597	712	965
76	336	458	559	641	765	1,036
77	359	490	600	687	821	1,111
78	383	524	642	736	880	1,189
79	409	560	687	788	943	1,272
80	448	615	755	868	N/A	N/A
81	478	658	808	930	N/A	N/A
82	510	702	864	994	N/A	N/A
83	542	748	921	1,060	N/A	N/A
84	576	795	979	1,128	N/A	N/A
85	666	925	1,146	1,325	N/A	N/A

MEDAMERICA INSURANCE COMPANY
POLICY SERIES SPL-336
ANNUAL PREMIUM RATES WITH THE REQUESTED RATE INCREASE
PREMIUMS PER $300 FACILITY MONTHLY BENEFIT
LONG TERM CARE POLICIES

Integrated Plan HHC at 80%
Lifetime Payment Plan
90 day Elimination Period
Married one insured rates

Indexing: None
Individual Underwriting
Rate Class II

	Premium Rates					
Issue Age	**24 Month Plan**	**36 Month Plan**	**48 Month Plan**	**60 Month Plan**	**84 Month Plan**	**Unlimited Plan**
18-29	11	14	16	16	19	24
30	11	14	16	18	21	26
31	13	14	18	19	21	27
32	13	16	18	19	22	29
33	13	16	19	21	24	30
34	14	18	19	22	26	32
35	14	18	21	24	27	34
36	16	19	22	24	29	35
37	16	21	24	26	30	38
38	18	21	26	27	32	40
39	18	22	27	29	34	43
40	19	23	28	31	34	45
41	20	25	30	33	37	47
42	20	27	31	34	39	50
43	22	28	33	37	42	55
44	23	30	36	39	45	58
45	24	30	36	41	47	59
46	26	33	39	44	50	63
47	27	35	41	47	53	68
48	29	38	44	50	57	72
49	32	41	47	53	60	77
50	32	42	50	55	63	80
51	35	45	53	58	69	86
52	37	48	57	63	73	92
53	39	51	61	69	79	99
54	42	55	66	73	85	107
55	44	57	68	76	87	110
56	47	62	73	81	94	119
57	51	66	79	88	101	127
58	55	72	84	95	109	137
59	59	77	91	102	117	148
60	62	81	95	107	123	155
61	67	88	104	117	134	168
62	74	97	115	128	147	183
63	80	106	125	139	161	200
64	88	115	137	154	175	219
65	91	120	143	160	185	229
66	101	132	157	176	203	252
67	110	145	173	193	222	276
68	121	160	190	212	245	304
69	133	175	209	234	269	334
70	137	182	216	243	279	346
71	150	200	237	267	307	381
72	165	219	261	293	338	418
73	181	241	287	322	372	460
74	198	263	315	354	408	504
75	231	309	370	417	483	600
76	252	337	404	456	528	656
77	274	367	441	498	577	717
78	298	400	481	543	629	781
79	324	435	524	591	686	850
80	362	487	587	664	N/A	N/A
81	393	530	640	724	N/A	N/A
82	427	577	696	788	N/A	N/A
83	462	625	756	856	N/A	N/A
84	499	676	818	927	N/A	N/A
85	592	808	982	1,116	N/A	N/A

MEDAMERICA INSURANCE COMPANY
POLICY SERIES SPL-336
TEN YEAR PREMIUM PAYMENT TERM FACTORS

	Premium Factors			
Issue Age	**No Inflation**	**Simple Inflation**	**Compound 2X Inflation**	**Compound - No Maximum Inflation**
18-29	2.99	3.75	3.29	4.70
30	2.96	3.60	3.19	4.27
31	2.94	3.56	3.16	4.19
32	2.93	3.52	3.13	4.11
33	2.91	3.48	3.11	4.02
34	2.90	3.44	3.08	3.94
35	2.88	3.40	3.05	3.86
36	2.85	3.35	3.02	3.78
37	2.83	3.31	2.98	3.70
38	2.80	3.26	2.95	3.63
39	2.78	3.22	2.91	3.55
40	2.75	3.17	2.88	3.47
41	2.72	3.12	2.84	3.40
42	2.69	3.07	2.80	3.33
43	2.65	3.01	2.76	3.25
44	2.62	2.96	2.72	3.18
45	2.59	2.91	2.68	3.11
46	2.55	2.86	2.64	3.04
47	2.51	2.80	2.59	2.97
48	2.47	2.75	2.55	2.90
49	2.43	2.69	2.50	2.83
50	2.39	2.64	2.46	2.76
51	2.35	2.58	2.41	2.69
52	2.30	2.53	2.36	2.63
53	2.26	2.47	2.32	2.56
54	2.21	2.42	2.27	2.50
55	2.17	2.36	2.22	2.43
56	2.12	2.30	2.17	2.37
57	2.08	2.25	2.13	2.31
58	2.03	2.19	2.08	2.24
59	1.99	2.14	2.04	2.18
60	1.94	2.08	1.99	2.12
61	1.86	2.04	1.95	2.07
62	1.79	1.99	1.92	2.03
63	1.71	1.95	1.88	1.98
64	1.64	1.90	1.85	1.94
65	1.56	1.86	1.81	1.89
66	1.56	1.81	1.77	1.84
67	1.56	1.76	1.72	1.79
68	1.56	1.71	1.68	1.74
69	1.56	1.66	1.63	1.69
70	1.56	1.61	1.59	1.64
71	1.52	1.56	1.55	1.59
72	1.47	1.51	1.50	1.54
73	1.43	1.47	1.46	1.49
74	1.38	1.42	1.41	1.44
75	1.34	1.37	1.37	1.39
76	1.30	1.33	1.33	1.35
77	1.27	1.30	1.30	1.31
78	1.23	1.26	1.26	1.28
79	1.20	1.23	1.23	1.24
80	1.16	1.19	1.19	1.20
81	1.13	1.16	1.16	1.17
82	1.10	1.13	1.13	1.14
83	1.08	1.11	1.11	1.11
84	1.05	1.08	1.08	1.08
85	1.02	1.05	1.05	1.05

MEDAMERICA INSURANCE COMPANY
POLICY SERIES SPL-336
PAID UP AT AGE 65 PREMIUM PAYMENT TERM FACTORS

	Premium Factors			
Issue Age	**No Inflation**	**Simple Inflation**	**Compound 2X Inflation**	**Compound - No Maximum Inflation**
18-29	1.24	1.50	1.35	1.76
30	1.30	1.55	1.39	1.76
31	1.31	1.56	1.40	1.76
32	1.32	1.56	1.41	1.76
33	1.33	1.57	1.41	1.76
34	1.34	1.57	1.42	1.76
35	1.35	1.58	1.43	1.76
36	1.37	1.59	1.44	1.76
37	1.38	1.60	1.45	1.76
38	1.40	1.62	1.47	1.77
39	1.41	1.63	1.48	1.77
40	1.43	1.64	1.49	1.77
41	1.45	1.66	1.51	1.78
42	1.47	1.68	1.53	1.80
43	1.49	1.69	1.55	1.81
44	1.51	1.71	1.57	1.83
45	1.53	1.73	1.59	1.84
46	1.57	1.77	1.63	1.87
47	1.61	1.80	1.67	1.90
48	1.65	1.84	1.70	1.94
49	1.69	1.87	1.74	1.97
50	1.73	1.91	1.78	2.00
51	1.82	2.00	1.87	2.09
52	1.91	2.09	1.96	2.17
53	1.99	2.18	2.04	2.26
54	2.08	2.27	2.13	2.34
55	2.17	2.36	2.22	2.43

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MEDAMERICA INSURANCE COMPANY
POLICY SERIES SPL-336
REDUCED PAY AT AGE 65 PREMIUM PAYMENT TERM FACTORS

	Premium Factors			
Issue Age	**No Inflation**	**Simple Inflation**	**Compound 2X Inflation**	**Compound - No Maximum Inflation**
18-29	1.18	1.36	1.27	1.59
30	1.22	1.39	1.30	1.59
31	1.23	1.39	1.31	1.59
32	1.24	1.40	1.31	1.59
33	1.25	1.40	1.32	1.59
34	1.26	1.41	1.32	1.59
35	1.27	1.41	1.33	1.59
36	1.28	1.42	1.34	1.59
37	1.29	1.42	1.35	1.59
38	1.30	1.43	1.35	1.59
39	1.31	1.43	1.36	1.59
40	1.32	1.44	1.37	1.59
41	1.33	1.45	1.38	1.60
42	1.35	1.46	1.40	1.61
43	1.36	1.47	1.41	1.61
44	1.38	1.48	1.43	1.62
45	1.39	1.49	1.44	1.63
46	1.42	1.51	1.47	1.65
47	1.45	1.53	1.49	1.67
48	1.47	1.56	1.52	1.70
49	1.50	1.58	1.54	1.72
50	1.53	1.60	1.57	1.74
51	1.59	1.66	1.63	1.80
52	1.65	1.72	1.69	1.86
53	1.71	1.78	1.75	1.91
54	1.77	1.84	1.81	1.97
55	1.83	1.90	1.87	2.03

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MEDAMERICA INSURANCE COMPANY
POLICY SERIES SPL-336
REDUCED PAY AT AGE 70 PREMIUM PAYMENT TERM FACTORS

	Premium Factors			
Issue Age	**No Inflation**	**Simple Inflation**	**Compound 2X Inflation**	**Compound - No Maximum Inflation**
18-29	1.16	1.35	1.24	1.50
30	1.19	1.36	1.26	1.50
31	1.20	1.36	1.26	1.50
32	1.20	1.36	1.27	1.50
33	1.21	1.37	1.27	1.50
34	1.21	1.37	1.28	1.50
35	1.22	1.37	1.28	1.50
36	1.23	1.37	1.29	1.50
37	1.24	1.37	1.29	1.50
38	1.24	1.37	1.30	1.50
39	1.25	1.37	1.30	1.50
40	1.26	1.37	1.31	1.50
41	1.27	1.37	1.32	1.50
42	1.28	1.38	1.32	1.50
43	1.28	1.38	1.33	1.51
44	1.29	1.39	1.33	1.51
45	1.30	1.39	1.34	1.51
46	1.31	1.40	1.35	1.52
47	1.33	1.41	1.37	1.53
48	1.34	1.42	1.38	1.53
49	1.36	1.43	1.40	1.54
50	1.37	1.44	1.41	1.55
51	1.40	1.47	1.44	1.57
52	1.42	1.49	1.46	1.59
53	1.45	1.52	1.49	1.62
54	1.47	1.54	1.51	1.64
55	1.50	1.57	1.54	1.66
56	1.56	1.63	1.60	1.72
57	1.62	1.69	1.66	1.77
58	1.68	1.74	1.72	1.83
59	1.74	1.80	1.78	1.88
60	1.80	1.86	1.84	1.94

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MEDAMERICA INSURANCE COMPANY
POLICY SERIES SPL-336

Shortened Benefit Period Rider
Form Number: SBPR

If this rider is selected, multiply the annual premium by the appropriate factor below.

Issue Age	Factor
< 60	1.20
60+	1.15

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MEDAMERICA INSURANCE COMPANY
POLICY SERIES SPL-336

Shared Care Rider
Form Number: SCR

If this rider is selected, multiply the annual premium by the appropriate factor below.

Factors				
24 Month Plan	**36 Month Plan**	**48 Month Plan**	**60 Month Plan**	**84 Month Plan**
N/A	1.20	1.16	1.14	1.10

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MEDAMERICA INSURANCE COMPANY
POLICY SERIES SPL-336

Return of Premium Rider
Form Number: ROPR

If this rider is selected, multiply the annual premium by the appropriate factor below.

Issue Age	Lifetime Payment Term	Limited Payment Terms
< 40	1.11	1.35
40	1.13	1.38
41	1.14	1.39
42	1.15	1.39
43	1.15	1.40
44	1.16	1.40
45	1.17	1.41
46	1.18	1.41
47	1.19	1.41
48	1.19	1.40
49	1.20	1.40
50	1.21	1.40
51	1.22	1.39
52	1.24	1.37
53	1.25	1.36
54	1.27	1.35
55	1.28	1.34
56	1.30	1.36
57	1.31	1.38
58	1.33	1.40
59	1.34	1.43
60	1.36	1.46
61	1.38	1.49
62	1.40	1.52
63	1.43	1.56
64	1.45	1.60
65	1.47	1.64
66	1.50	1.67
67	1.52	1.71
68	1.55	1.75
69	1.57	1.79
70	1.60	1.83
71	1.65	1.88
72	1.69	1.94
73	1.74	2.00
74	1.78	2.06
75	1.83	2.12

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MEDAMERICA INSURANCE COMPANY
POLICY SERIES SPL-336

Full Return of Premium Rider
Form Number: FROPR

If this rider is selected, multiply the annual premium by the appropriate factor below.

Issue Age	Lifetime Payment Term	Limited Payment Terms
< 40	1.23	1.90
40	1.26	1.95
41	1.28	1.97
42	1.30	1.99
43	1.31	2.02
44	1.33	2.05
45	1.35	2.08
46	1.38	2.08
47	1.41	2.08
48	1.44	2.08
49	1.47	2.08
50	1.50	2.08
51	1.55	2.05
52	1.60	2.01
53	1.64	1.97
54	1.69	1.93
55	1.74	1.89
56	1.83	2.03
57	1.93	2.17
58	2.02	2.31
59	2.12	2.45
60	2.21	2.60
61	2.45	3.17
62	2.69	3.74
63	2.92	4.31
64	3.16	4.88
65	3.40	5.48

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MEDAMERICA INSURANCE COMPANY
POLICY SERIES SPL-336

Survivor Rider
Form Number: SVR

If this rider is selected, multiply the annual premium by the appropriate factor below.

	Payment Term				
Issue Age	**Lifetime**	**To age 65**	**10 Year**	**Reduced 65**	**Reduced 70**
< 40	1.05	1.01	N/A	1.03	1.03
40-50	1.06	1.02	N/A	1.03	1.03
51-55	1.09	1.02*	N/A	1.05	1.05
56-60	1.09	N/A	N/A	N/A	1.05
61-70	1.11	N/A	N/A	N/A	N/A
71-79	1.10	N/A	N/A	N/A	N/A
80+	1.06	N/A	N/A	N/A	N/A

* the rate for issue age 55 is N/A

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MEDAMERICA INSURANCE COMPANY
POLICY SERIES SPL-336

Restoration of Benefits Rider
Form Number: ROBR

If this rider is selected, multiply the annual premium by the appropriate factor below.

Factors				
24 Month Plan	**36 Month Plan**	**48 Month Plan**	**60 Month Plan**	**84 Month Plan**
1.08	1.04	1.03	1.02	1.01

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MEDAMERICA INSURANCE COMPANY
POLICY SERIES SPL-336

Shared Waiver Rider
Form Number: SWR

If this rider is selected, multiply the annual premium by the appropriate factor below.

Issue Age	Factor
< 60	1.01
60-69	1.02
70-79	1.05
80+	1.10

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MEDAMERICA INSURANCE COMPANY
POLICY SERIES SPL-336

Facility Only Rider
Form Number: FACR-337

If this rider is selected, multiply the annual premium by the appropriate factor below.

Issue Age	Factor
< 40	0.58
40-49	0.59
50-59	0.59
60-69	0.62
70-79	0.64
80+	0.68

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MEDAMERICA INSURANCE COMPANY
POLICY SERIES SPL-336

Community Only Rider
Form Number: COMMR-338

If this rider is selected, multiply the annual premium by the appropriate factor below.

Issue Age	Factor
< 40	0.85
40-49	0.84
50-59	0.83
60-69	0.82
70-79	0.80
80+	0.78

The Community only rider is available only with the 24 month or 36 month duration option.

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MEDAMERICA INSURANCE COMPANY
POLICY SERIES SPL-336

Risk Classifications

Marital Status

Multiply the annual premium by the appropriate factor below based on marital and insured status.

Marital Status	Factors
Single	1.25
Married one insured	1.00
Married both insured	0.75

Medical Underwriting

Underwriting rate class is determined by a point value system. Point values for each medical condition indicated from the application process are added together to determine the underwriting rate class. Multiply the annual premium by the appropriate factor below.

	Factors		
Rate Class	Single	Married One Insured	Married Both Insured
I	0.85	0.85	1.00
II	1.00	1.00	1.00
III	1.30	1.30	1.30

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MEDAMERICA INSURANCE COMPANY
POLICY SERIES SPL-336

Elimination Period Factors

Multiply the annual premium by the appropriate factor below based on the elimination period selected.

Factors			
30 Day	**60 Day**	**90 day**	**180 day**
1.15	1.06	1.00	0.95

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MEDAMERICA INSURANCE COMPANY
POLICY SERIES SPL-336

Community Care Benefit Factors

There are three options the policyholder may select at the time of issue. Multiply the annual premium by the appropriate factor below.

Community Care % of Facility Benefit	Factors
60%	0.92
80%	1.00
100%	1.12

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MEDAMERICA INSURANCE COMPANY
POLICY SERIES SPL-336

Discounts

Employer Sponsored: Employer sponsored plans with 10 or more active employees receive a 10% discount

Affiliation and Multi life discount: a discount of 10% may apply

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MEDAMERICA INSURANCE COMPANY
POLICY SERIES SPL-336

Modal Factors

Multiply the annual premium by the appropriate factor below based on the modal factor selected.

Payment Mode	Factors
Bi-Weekly	0.0415
Monthly	0.0900
Quarterly	0.2600
Semi-Annually	0.5150
Annually	1.0000

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State: *Arkansas* **Filing Company:** *MedAmerica Insurance Company*
TOI/Sub-TOI: *LTC03I Individual Long Term Care/LTC03I.001 Qualified*
Product Name: *Long-Term Care*
Project Name/Number: *Simplicity Rate Increase/145MAI01-60.02*

Supporting Document Schedules

		Item Status:	Status Date:
Satisfied - Item:	Cover Letter	Disapproved	01/24/2013
Comments:			
Attachment(s):			
AR_CovLtr_Individual_RS&LR_20130122.pdf			

		Item Status:	Status Date:
Satisfied - Item:	Letter of Authorization	Disapproved	01/24/2013
Comments:			
Attachment(s):			
Authorization to file MAPA 20130104.pdf			

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milliman.com

January 22, 2013

Honorable Jay Bradford
Commissioner of Insurance
Arkansas Department of Insurance (Department)
1200 West Third Street
Little Rock, Arkansas 72201-1904

Via SERFF

RE: MedAmerica Insurance Company (MedAmerica)
Company NAIC # 69515
SERFF Tracking # MILL-128832173
Tax-Qualified Long-Term Care Policy Form SPL-336

Dear Commissioner Bradford:

The referenced rate filing is being submitted on behalf of MedAmerica for your review.

This is an existing individual policy form that provides comprehensive long-term care coverage on a cash basis. Riders that convert the coverage to either facility only or community care only may have been available at issue. Policies were issued in Arkansas from May 13, 2004 to October 2, 2007 and are no longer being marketed in this jurisdiction.

MedAmerica is requesting the approval of a premium rate increase on the above-listed form, including all associated riders. The primary reason why this form is in need of a premium rate increase is due to a combination of higher persistency and lower interest than expected in pricing. The company is requesting a premium rate increase that varies by issue age as shown in the table below. The rate increase was determined by issue age to better align the rate increase with the adverse experience and to protect older insureds.

Issue Ages	Requested Increase
<40	60%
40-44	56
45-49	50
50-54	46
55-59	38

Issue Ages	Requested Increase
60-64	29%
65-69	20
70-74	13
75+	0

MedAmerica will offer insureds affected by the premium increase the option of reducing their policy benefits to provide flexibility of choice for those insureds who wish to maintain a premium level

This work product was prepared to provide assistance to MedAmerica. Milliman does not intend to benefit and assumes no duty or liability to other parties who receive this work. Milliman recommends Recipient be aided by its own actuary or other qualified professional when reviewing the Milliman work product.

reasonably similar to what they were paying prior to the rate increase. The company will offer a contingent benefit upon lapse to insureds that trigger a substantial rate increase. Additionally, MedAmerica will voluntarily offer a contingent benefit upon lapse to insureds affected by the rate increase, even if the increase is not considered substantial.

The following electronic items are included with this submission:

- cover letter
- letter from MedAmerica authorizing us to submit this filing on their behalf
- actuarial memorandum
- proposed premium rate schedules

The required $50 filing fee will be paid via Electronic Funds Transfer (EFT).

The contact person for this filing is:

Missy Gordon, FSA, MAAA
Actuary
8500 Normandale Lake Blvd., Suite 1850
Minneapolis, MN 55437
(952) 820-2478
missy.gordon@milliman.com

Thank you for your assistance in reviewing this filing.

Respectfully,

Missy Gordon

Missy Gordon, FSA, MAAA
Actuary

MAG/cgs

Enclosures

This work product was prepared to provide assistance to MedAmerica. Milliman does not intend to benefit and assumes no duty or liability to other parties who receive this work. Milliman recommends Recipient be aided by its own actuary or other qualified professional when reviewing the Milliman work product.

MEDAmerica
INSURANCE COMPANY
An Excellus Company

Letter of Authorization

To: Department of Insurance

MedAmerica Insurance Company ("MedAmerica") has entered into a service agreement with Milliman, Inc. ("Milliman") effective November 1, 2007, that includes long-term care rate filing services on our behalf. The agreement provides, in part, that Milliman is responsible for preparing and filing for approval with state insurance departments MedAmerica's long-term care rate increase filings. Milliman is also authorized to receive, on MedAmerica's behalf, written and oral communication from each state department of insurance for the purpose of completing the rate increase filing process.

Please accept this letter of authorization for the purpose stated above. Should you have any questions regarding the above, please forward your comments to:

MedAmerica Insurance Company
165 Court Street
Rochester, NY 14647

Bill Naylon, Senior Vice President, Finance
MedAmerica Insurance Company

1/4/12
Date