

APPENDIX B
Summary of Information to Include in Annual Rate and Loss Ratio Filing,
New Policy Filing, and Rate Revision Filing

Description	Annual Rate/Loss Ratio Filing	New Policy Filing	Rate Revision Filing
Purpose of Filing (a)	X	X	X
General Description			
Issuer Name	X	X	X
Form Number	X	X	X
Policy Type	X	X	X
Benefit Description	X	X	X
Renewal Provision	X	X	X
Marketing Method	X	X	X (b)
Underwriting Method	X	X	X
Pre-existing Condition Excl.	X	X	X
Issue-Age Limits	X	X	X
Premium Basis	X	X	X
Actuary's Name, etc.	X	X	X
Domicile State Approval		X	X
Multiple Forms by plan/type?		X	
Group Conversion (Method/Form)		X	
Rate Methodology/Assumptions			
General Method		X	X
Priced w/ Trend/Selection?		X	X
Priced w/ Rate Increases?		X	X
Commission Rates		X	X
Replacement Commissions		X	X
Lapse Assumption		X	X
Morbidity Assumption		X	X
Interest Assumption		X	X
Expense Assumptions		X	
Reflect Pre-funding?			X
Equivalence of Change in Rating Methodology			X
Scope/Reason for Request			
Overall Increase			X
Variations by Cell			X
Effective Date			X
Timing			X
Rates and Rating Factors			
Current	X		X
Proposed		X	X
Period Rates Apply	X	X	X
Average Annual Premium (incl. mix by cell)		X	X (c)

Description	Annual Rate/Loss Ratio Filing	New Policy Filing	Rate Revision Filing
Rate History (5 yrs.) (amount and timing)	X		X
In-Force Counts			
Since Inception	X		X
State and National	X		X
Historical Incurred Claims			
By Iss. Yr and Cal. Yr (d)	X		X
State Basis	X		X
National Basis (e)	X		X
Historical Earned Premium			
By Iss. Yr and Cal. Yr (d)	X		X
State Basis	X		X
National Basis (e)	X		X
Loss Ratio Projection			
Definition	X	X	X
Base Period	X		X
Lapse Assumption	X	X	X
Claim Trend Assumption	X	X	X
Att.-Age/Selec. Adjustments	X	X	X
Future Rate Increases?	X	X	X
Interest Assumption	X	X	X
With and w/o rate change			X
Loss Ratio Demonstration (f)	X (Min./Filed)	X (Min.)	X (Filed)
Actuarial Certification	X	X	X

Notes to Appendix B:

- (a) Each filing serves a different purpose. The annual rate and loss ratio filing must file the rates for approval and demonstrate loss ratio compliance with the minimum standards in the regulation. A new policy filing must describe the rate development and demonstrate compliance with minimum loss ratios. A rate revision filing must describe how and why the rate revision is requested and demonstrate compliance with the originally filed loss ratios.
- (b) The rate revision filing must also indicate whether the policy is a closed block of business.
- (c) This should be shown both before and after the rate revision.
- (d) Alternatively, the data could be presented by calendar year of issue and calendar experience.
- (e) The national data need only be provided if the projections and/or rates are derived from national experience.
- (f) The loss ratio demonstration varies for each filing. The new form filing and annual filing must both demonstrate compliance with the minimum standards. Since the annual filing also covers approval of rates, it should also indicate the anticipated loss ratio when the policy form was filed. The rate revision filing must demonstrate compliance with the anticipated loss ratio when the policy form was filed. The new form filing must also illustrate the expected loss ratio for at least the first 10 years and indicate any variations by age.