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CHRISTINA URIAS
Director of Insurance

CERTIFICATION OF QUALIFIED ACTUARY for FORM RATE FILINGS

To accompany Actuarial memorandum required for rate filings under Arizona Administrative Code R20-6-607, R20-6-1009, R20-6-1014, R20-6-1015 or Section 14 of the NAIC Medicare Supplement Model Regulation which was incorporated by ADOI in R20-6-1101(A). Please refer to Rate Filing Instructions, Rev. 11/00 for additional instructions.

COMPANY NAME_____NAIC #_____

Name of policy form, rider, endorsement, and form numbers:_____
_____

Name of Qualified Actuary submitting memorandum (if different than company, include address and phone number):
_____

1. Number of nationwide policies in force_____

    a. If the number of nationwide policies in force is greater than zero, provide nationwide loss experience, including earned premiums, losses paid and losses incurred (Include in Actuarial Memorandum.) Arizona requires the most recent five (5) years contiguous experience data for each form number. If experience is combined for several forms, each form included must be identified. The data shall be for all years of issue combined, for each calendar year of experience since the year the form was first issued, except the data for calendar years prior to the most recent five years may be combined

    b. Current and cumulative loss ratios should be included.

2. The Renewability of this form is: _____Non-Cancelable _____Guaranteed Renewable _____Conditionally Renewable _____Optionally Renewable.

3. The anticipated loss ratio standard required by AAC R20-6-607, R20-6-1009, R20-6-1014, R20-6-1015 or Section 14 of the NAIC Medicare Supplement Model Regulation which was incorporated by ADOI in R20-6-1001(A) for this type of coverage and form ____%.

4. The anticipated loss ratio based on the rates proposed under this rate submission is _____%.

5. A schedule of requested rates must be submitted which shows the amount to be charged to policyholders.

6. The basis upon which the proposed rates were determined and the calculation of the anticipated loss ratio is as follows: (Include the Actuarial Memorandum required under AAC R20-6-607 as a supplemental exhibit.)

    a. Scope and Purpose of the filing

    b. A description of the formulation of rates. If your company chooses to file a rate formula, a sample calculation showing how the proposed rate is arrived at for a typical enrollee should be demonstrated.

    c. A description and calculation of the anticipated loss ratio

    d. Assumptions used are required for all rate filings relating to new forms.
        i. An explanation of all factors that affected the development of rates must also be included
        ii. All load factors that apply rates must be substantiated by an explanation of the purpose of its use and the effect they have on rates

    e. A trend worksheet exhibiting the development and calculation of the annual trend from the different factors, such as inflation, utilization, change in medical costs, etc., must be included with each filing.
        i. Each of the factors that were involved in the annual trend computation must also be described and supported.

f. An actuarial validation of the methodology used must be included with all new forms

7. 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 Arizona, including AAC R20-6-607, R20-6-1009, R20-6-1014, R20-6-1015 and Section 14 of the NAIC Medicare Supplement Model Regulation which was incorporated by ADOI in R20-6-1101(A); that the anticipated loss ratio submitted herein is expected to develop over the period for which the rates are computed to provide coverage; that the benefits of the policy form affected by the rate filing are reasonable in relation to the premiums charged.

_____ _____

Date Signature of Qualified Actuary (rubber stamp, copy, or facsimile **NOT ACCEPTED)**

P-124, Rev. 6/11