

State: District of Columbia Filing Company: National Union Fire Insurance Company Pittsburgh, PA

TOI/Sub-TOI: H07G Group Health - Specified Disease - Limited Benefit/H07G.001 Critical Illness

Product Name: Organ Transplant

Project Name/Number: 2013-NUFIC Project/Organ Transplant/2013-NUFIC Project/Organ Transplant Rate Filing

Filing at a Glance

Company: National Union Fire Insurance Company Pittsburgh, PA

Product Name: Organ Transplant

State: District of Columbia

TOI: H07G Group Health - Specified Disease - Limited Benefit

Sub-TOI: H07G.001 Critical Illness

Filing Type: Rate

Date Submitted: 12/17/2013

SERFF Tr Num: AMGN-129339721

SERFF Status: Assigned

State Tr Num:

State Status:

Co Tr Num: 2013-NUFIC PROJECT/ORGAN TRANSPLANT

Implementation: On Approval

Date Requested:

Author(s): MaryEllen Boyle

Reviewer(s): Darniece Shirley (primary), Alula Selassie

Disposition Date:

Disposition Status:

Implementation Date:

State Filing Description:

**State:** District of Columbia **Filing Company:** National Union Fire Insurance Company  
Pittsburgh, PA

**TOI/Sub-TOI:** H07G Group Health - Specified Disease - Limited Benefit/H07G.001 Critical Illness

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## General Information

Project Name: 2013-NUFIC Project/Organ Transplant Status of Filing in Domicile: Not Filed  
 Project Number: 2013-NUFIC Project/Organ Transplant Rate Filing Date Approved in Domicile:  
 Filing  
 Requested Filing Mode: Review & Approval Domicile Status Comments:  
 Explanation for Combination/Other: Market Type: Group  
 Submission Type: New Submission Group Market Size: Large  
 Group Market Type: Employer, Trust, Other Explanation for Other Group Market Type: Taft-Hartley group  
 Overall Rate Impact: Filing Status Changed: 12/20/2013  
 State Status Changed:  
 Deemer Date: Created By: MaryEllen Boyle  
 Submitted By: MaryEllen Boyle Corresponding Filing Tracking Number:

Filing Description:  
 RE: Rate Filing

The National Union Fire Insurance Company of Pittsburgh, Pa. wishes to submit the above referenced filing for your review and approval. These rates are for a new product, the forms for which have been filed separately under SERFF# AMGN-129335334.

These forms that will be used with these rates are for general use and will only be marketed to self-funded plan sponsors that are categorized as large groups in your state (including Employer groups, Taft-Hartley groups, Single Employer Trusts, and Multi-Employer Trusts, if allowed in your state). These forms are for a non-contributory product designed to relieve self-funded plan sponsors of catastrophic medical expenses related to certain transplant procedures resulting from the specified diseases identified in the policy.

This new product will be marketed through licensed and appointed (where required) brokers/agents.

The rates for this product are included along with the required documents/documentation.

Please let me know if you have any questions. Your review of this filing is appreciated.

## Company and Contact

### Filing Contact Information

MaryEllen Boyle, Filing Analyst	maryellen.boyle@aglife.com
3600 Route 66	732-922-7022 [Phone]
Neptune, NJ 07754	732-922-5593 [FAX]

State: District of Columbia Filing Company: National Union Fire Insurance Company  
Pittsburgh, PA

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**Filing Company Information**

National Union Fire Insurance Company Pittsburgh, PA 503 Carr Road 3rd Floor Wilmington, DE 19809 (888) 396-5369 ext. [Phone]	CoCode: 19445 Group Code: 12 Group Name: AIG FEIN Number: 25-0687550	State of Domicile: Pennsylvania Company Type: State ID Number:
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**Filing Fees**

Fee Required? No

Retaliatory? No

Fee Explanation:

SERFF Tracking #:

AMGN-129339721

State Tracking #:

Company Tracking #:

2013-NUFIC PROJECT/ORGAN  
TRANSPLANT

State:

District of Columbia

Filing Company:

National Union Fire Insurance Company Pittsburgh, PA

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H07G Group Health - Specified Disease - Limited Benefit/H07G.001 Critical Illness

Product Name:

Organ Transplant

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2013-NUFIC Project/Organ Transplant/2013-NUFIC Project/Organ Transplant Rate Filing

## Rate Information

Rate data applies to filing.

Filing Method:

SERFF

Rate Change Type:

Neutral

Overall Percentage of Last Rate Revision:

%

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:	Number of Policy Holders Affected for this Program:	Written Premium for this Program:	Maximum % Change (where req'd):	Minimum % Change (where req'd):
National Union Fire Insurance Company Pittsburgh, PA	0.000%	0.000%	\$0	0	\$0	0.000%	0.000%

**SERFF Tracking #:**

AMGN-129339721

**State Tracking #:****Company Tracking #:**2013-NUFIC PROJECT/ORGAN  
TRANSPLANT**State:** District of Columbia**Filing Company:**

National Union Fire Insurance Company Pittsburgh, PA

**TOI/Sub-TOI:** H07G Group Health - Specified Disease - Limited Benefit/H07G.001 Critical Illness**Product Name:** Organ Transplant**Project Name/Number:** 2013-NUFIC Project/Organ Transplant/2013-NUFIC Project/Organ Transplant 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		SDOT Rate Manual	SDOT-2014 et al.	New		SDOT Rate Manual_2013.pdf,

**Policy Form SDOT- 2014, et al.  
Premium Rates Calculation**

	(a) Single	(b) Family	Composite	
(1) PMPM Cost	\$ 5.11	\$ 5.11		See Actuarial Memorandum for development of PMPM Cost
(2) Single/Family Factor	1.176	2.705		
(3) Claim Cost	\$ 6.01	\$ 13.83		= (1) x (2)
(4) Loads	32.5%	32.5%		See Actuarial Memorandum
(5) Gross Rate	\$ 8.91	\$ 20.49	\$ 14.70	= (3) / [1 - (4)]
(6) Annual Rate	\$ 106.91	\$ 245.90	\$ 176.41	= (5) x 12

**Table of Pooled Rates by State, Commission, and Maximum**

State	\$1M Maximum		\$2M Maximum		Unlimited Maximum		\$1M Maximum		\$2M Maximum		Unlimited Maximum	
	10% Comm	F Rate	10% Comm	F Rate	10% Comm	F Rate	0% Comm	F Rate	0% Comm	F Rate	0% Comm	F Rate
<b>Nationwide</b>	<b>8.91</b>	<b>20.49</b>	<b>9.27</b>	<b>21.31</b>	<b>9.35</b>	<b>21.52</b>	<b>7.76</b>	<b>17.85</b>	<b>8.07</b>	<b>18.56</b>	<b>8.15</b>	<b>18.74</b>
Alabama	8.76	20.14	9.11	20.95	9.20	21.15	7.63	17.54	7.94	18.24	8.01	18.42
Alaska	7.01	16.13	7.29	16.78	7.36	16.94	6.11	14.05	6.35	14.61	6.42	14.75
Arizona	8.89	20.45	9.25	21.27	9.33	21.47	7.74	17.81	8.05	18.52	8.13	18.70
Arkansas	7.81	17.96	8.12	18.68	8.20	18.86	6.80	15.64	7.07	16.27	7.14	16.42
California	8.25	18.97	8.58	19.73	8.66	19.92	7.19	16.52	7.48	17.18	7.55	17.35
Colorado	7.76	17.85	8.07	18.56	8.15	18.74	6.76	15.55	7.03	16.17	7.10	16.33
Connecticut	9.31	21.42	9.68	22.28	9.78	22.49	8.11	18.66	8.43	19.41	8.52	19.59
Delaware	11.09	25.50	11.53	26.52	11.64	26.78	9.66	22.21	10.05	23.10	10.14	23.32
District of Columbia	8.81	20.27	9.16	21.08	9.25	21.28	7.67	17.65	7.98	18.36	8.05	18.53
Florida	8.80	20.24	9.15	21.05	9.24	21.25	7.66	17.63	7.97	18.34	8.04	18.51
Georgia	6.91	15.90	7.19	16.54	7.26	16.70	6.02	13.85	6.26	14.40	6.32	14.54
Hawaii	7.75	17.82	8.06	18.53	8.14	18.71	6.75	15.52	7.02	16.14	7.09	16.30
Idaho	7.81	17.96	8.12	18.68	8.20	18.86	6.80	15.64	7.07	16.27	7.14	16.42
Illinois	9.80	22.53	10.19	23.43	10.29	23.66	8.54	19.62	8.88	20.40	8.97	20.60
Indiana	10.62	24.42	11.04	25.40	11.15	25.64	9.25	21.27	9.62	22.12	9.71	22.33
Iowa	10.01	23.01	10.41	23.93	10.51	24.16	8.72	20.04	9.07	20.84	9.16	21.04
Kansas	9.34	21.48	9.71	22.34	9.81	22.55	8.13	18.71	8.46	19.46	8.54	19.65
Kentucky	7.47	17.18	7.77	17.87	7.84	18.04	6.51	14.96	6.77	15.56	6.84	15.71
Louisiana	7.31	16.81	7.60	17.48	7.68	17.65	6.37	14.64	6.62	15.23	6.69	15.37
Maine	7.90	18.18	8.22	18.91	8.30	19.09	6.88	15.83	7.16	16.46	7.22	16.62
Maryland	10.17	23.40	10.58	24.34	10.68	24.57	8.86	20.38	9.21	21.20	9.30	21.40
Massachusetts	9.18	21.10	9.55	21.94	9.64	22.16	8.00	18.38	8.32	19.12	8.40	19.30
Michigan	8.97	20.62	9.33	21.44	9.42	21.65	7.81	17.96	8.12	18.68	8.20	18.86
Minnesota	10.35	23.81	10.76	24.76	10.87	25.00	9.01	20.74	9.37	21.57	9.46	21.78
Mississippi	7.80	17.95	8.11	18.67	8.19	18.85	6.79	15.63	7.06	16.26	7.13	16.41
Missouri	9.91	22.78	10.31	23.69	10.41	23.92	8.63	19.84	8.98	20.63	9.06	20.83
Montana	8.01	18.42	8.33	19.16	8.41	19.34	6.98	16.04	7.26	16.68	7.33	16.84
Nebraska	11.32	26.04	11.77	27.08	11.89	27.34	9.86	22.68	10.25	23.59	10.35	23.81
Nevada	7.54	17.33	7.84	18.02	7.92	18.20	6.57	15.09	6.83	15.69	6.90	15.84
New Hampshire	8.79	20.21	9.14	21.02	9.23	21.22	7.66	17.60	7.97	18.30	8.04	18.48
New Jersey	9.46	21.75	9.84	22.62	9.93	22.84	8.24	18.94	8.57	19.70	8.65	19.89
New Mexico	7.74	17.80	8.05	18.51	8.13	18.69	6.74	15.50	7.01	16.12	7.08	16.28
New York	8.91	20.48	9.27	21.30	9.36	21.50	7.76	17.84	8.07	18.55	8.15	18.73
North Carolina	8.58	19.74	8.92	20.53	9.01	20.73	7.47	17.19	7.77	17.88	7.84	18.05
North Dakota	9.25	21.26	9.62	22.11	9.71	22.32	8.06	18.52	8.38	19.26	8.46	19.45
Ohio	9.10	20.92	9.46	21.76	9.56	21.97	7.93	18.22	8.25	18.95	8.33	19.13
Oklahoma	7.68	17.66	7.99	18.37	8.06	18.54	6.69	15.38	6.96	16.00	7.02	16.15
Oregon	7.65	17.58	7.96	18.28	8.03	18.46	6.66	15.31	6.93	15.92	6.99	16.08
Pennsylvania	10.37	23.86	10.78	24.81	10.89	25.05	9.03	20.78	9.39	21.61	9.48	21.82
Rhode Island	9.09	20.90	9.45	21.74	9.54	21.95	7.92	18.20	8.24	18.93	8.32	19.11
South Carolina	8.08	18.58	8.40	19.32	8.48	19.51	7.04	16.18	7.32	16.83	7.39	16.99
South Dakota	7.79	17.91	8.10	18.63	8.18	18.81	6.78	15.60	7.05	16.22	7.12	16.38
Tennessee	7.80	17.94	8.11	18.66	8.19	18.84	6.79	15.63	7.06	16.26	7.13	16.41
Texas	8.77	20.17	9.12	20.98	9.21	21.18	7.64	17.57	7.95	18.27	8.02	18.45
Utah	7.23	16.63	7.52	17.30	7.59	17.46	6.30	14.48	6.55	15.06	6.62	15.20
Vermont	9.16	21.08	9.53	21.92	9.62	22.13	7.98	18.36	8.30	19.09	8.38	19.28
Virginia	8.85	20.35	9.20	21.16	9.29	21.37	7.71	17.72	8.02	18.43	8.10	18.61
Washington	8.81	20.27	9.16	21.08	9.25	21.28	7.67	17.65	7.98	18.36	8.05	18.53
West Virginia	8.41	19.34	8.75	20.11	8.83	20.31	7.32	16.84	7.61	17.51	7.69	17.68
Wisconsin	9.72	22.37	10.11	23.26	10.21	23.49	8.47	19.48	8.81	20.26	8.89	20.45
Wyoming	9.55	21.97	9.93	22.85	10.03	23.07	8.32	19.14	8.65	19.91	8.74	20.10

SERFF Tracking #:

AMGN-129339721

State Tracking #:

Company Tracking #:

2013-NUFIC PROJECT/ORGAN  
TRANSPLANT

State: District of Columbia

Filing Company:

National Union Fire Insurance Company Pittsburgh, PA

TOI/Sub-TOI: H07G Group Health - Specified Disease - Limited Benefit/H07G.001 Critical Illness

Product Name: Organ Transplant

Project Name/Number: 2013-NUFIC Project/Organ Transplant/2013-NUFIC Project/Organ Transplant Rate Filing

## Supporting Document Schedules

<b>Satisfied - Item:</b>	Cover Letter All Filings
<b>Comments:</b>	Please see Filing Description under General Information Tab.
<b>Attachment(s):</b>	
<b>Item Status:</b>	
<b>Status Date:</b>	

<b>Bypassed - Item:</b>	Certificate of Authority to File
<b>Bypass Reason:</b>	NA
<b>Attachment(s):</b>	
<b>Item Status:</b>	
<b>Status Date:</b>	

<b>Satisfied - Item:</b>	Actuarial Memorandum
<b>Comments:</b>	
<b>Attachment(s):</b>	SDOT Actuarial Memo.pdf
<b>Item Status:</b>	
<b>Status Date:</b>	

<b>Satisfied - Item:</b>	Actuarial Justification
<b>Comments:</b>	
<b>Attachment(s):</b>	SDOT Actuarial Memo.pdf
<b>Item Status:</b>	
<b>Status Date:</b>	

<b>Bypassed - Item:</b>	District of Columbia and Countrywide Loss Ratio Analysis (P&C)
<b>Bypass Reason:</b>	NA
<b>Attachment(s):</b>	
<b>Item Status:</b>	
<b>Status Date:</b>	

<b>Bypassed - Item:</b>	District of Columbia and Countrywide Experience for the Last 5 Years (P&C)
<b>Bypass Reason:</b>	NA
<b>Attachment(s):</b>	
<b>Item Status:</b>	
<b>Status Date:</b>	

SERFF Tracking #:

AMGN-129339721

State Tracking #:

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2013-NUFIC PROJECT/ORGAN  
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National Union Fire Insurance Company Pittsburgh, PA

TOI/Sub-TOI:

H07G Group Health - Specified Disease - Limited Benefit/H07G.001 Critical Illness

Product Name:

Organ Transplant

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2013-NUFIC Project/Organ Transplant/2013-NUFIC Project/Organ Transplant Rate Filing

<b>Bypassed - Item:</b>	Actuarial Memorandum and Certifications
<b>Bypass Reason:</b>	NA
<b>Attachment(s):</b>	
<b>Item Status:</b>	
<b>Status Date:</b>	

<b>Bypassed - Item:</b>	Unified Rate Review Template
<b>Bypass Reason:</b>	NA
<b>Attachment(s):</b>	
<b>Item Status:</b>	
<b>Status Date:</b>	



**NATIONAL UNION FIRE INSURANCE COMPANY OF PITTSBURGH, PA.**  
**Actuarial Memorandum**  
**Specified Disease - Organ and Tissue Transplant**  
**For policy form SDOT-2014, et al.**

The purposes of this memo are to document the rates and the anticipated loss ratio of this policy. Benefits provided: Full coverage of approved transplants from covered specified diseases when performed through a network of designated transplant centers; limited coverage for approved out of network transplants.

Covered transplants:

1. Heart
2. Lung/Double Lung
3. Liver (living or deceased donor)
4. Kidney (living or deceased donor)
5. Pancreas
6. Intestine
7. Heart/ Lung
8. Kidney/ Pancreas
9. Liver/Intestine
10. Kidney/Liver
11. Liver/Pancreas/Intestine
12. Pancreas/Intestine
13. Autologous Bone Marrow
14. Allogeneic & Cord Blood

Rate: \$14.70 per composite employee per month, for a group of average demographics.  
Annual premium per certificate: \$176.40

The policy is optionally renewable.

Development of rate:

Source of Assumptions:

Billed Charges come from the 2011 U.S. Organ and Tissue Transplant Cost Estimates by Bentley & Hanson of Milliman.

Network costs of procedures are based on network agreements. Costs include network access fees and costs of transplant evaluations.

Frequency of transplants comes from OPTN for solid organs CIBMTR for bone marrow.

Procedure	Frequency PMPM	Average Cost	PMPM Cost
Heart	0.00000728	\$ 564,174	\$ 0.34
Lung, Single	0.00000225	\$ 375,999	\$ 0.07
Lung, Double	0.00000323	\$ 491,549	\$ 0.13
Liver	0.00001838	\$ 386,956	\$ 0.59
Kidney	0.00003612	\$ 180,044	\$ 0.54
Pancreas	0.00000069	\$ 212,663	\$ 0.01
Intestine	0.00000024	\$ 826,716	\$ 0.02
Heart/Lung	0.00000009	\$ 761,085	\$ 0.01
Kidney/Pancreas	0.00000197	\$ 310,026	\$ 0.05
Liver/Intestine	0.00000000	\$ 993,087	\$ 0.00
Liver/Kidney	0.00000177	\$ 817,833	\$ 0.12
Liver/Pancreas/Intestine	0.00000013	\$ 993,087	\$ 0.01
Pancreas/Intestine	0.00000002	\$ 993,087	\$ 0.00
Other Multi-Organ TP	0.00000044	\$ 1,000,000	\$ 0.04
AuBMT	0.00004867	\$ 260,740	\$ 1.06
ABMT & Cord, Related	0.00001483	\$ 459,762	\$ 0.57
ABMT& Cord Unrelated	0.00002399	\$ 544,367	\$ 1.09
Total	0.000016011	\$ 348,433	\$ 4.65


The \$4.65 pmpm cost is multiplied by 1.1 to cover the work-up costs of non-transplants and by 1.940 to convert to a composite employee claims cost of \$9.92

Loadings:

Net Rate	9.92	67.5% Anticipated Loss Ratio
Premium Tax	0.29	2.0%
Underwriting Margin	1.10	7.5%
Underwriting Expense	1.18	8.0%
Administrative Expense	0.74	5.0%
Commissions	1.47	10.0%
Total	14.70	100.0%

This policy is to be sold as a Specified Disease policy.

I certify that these rates make good and sufficient provision for the benefits to be provided. To the best of my knowledge and judgment this filing is in compliance with applicable laws and regulations of this state.



\_\_\_\_\_

Michael K. Gastineau, FSA, MAAA

June 30, 2013

Date

**NATIONAL UNION FIRE INSURANCE COMPANY OF PITTSBURGH, PA.**  
**Actuarial Memorandum**  
**Specified Disease - Organ and Tissue Transplant**  
**For policy form SDOT-2014, et al.**

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13. Autologous Bone Marrow
14. Allogeneic & Cord Blood

Rate: \$14.70 per composite employee per month, for a group of average demographics.  
Annual premium per certificate: \$176.40

The policy is optionally renewable.

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Source of Assumptions:

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Intestine	0.00000024	\$ 826,716	\$ 0.02
Heart/Lung	0.00000009	\$ 761,085	\$ 0.01
Kidney/Pancreas	0.00000197	\$ 310,026	\$ 0.05
Liver/Intestine	0.00000000	\$ 993,087	\$ 0.00
Liver/Kidney	0.00000177	\$ 817,833	\$ 0.12
Liver/Pancreas/Intestine	0.00000013	\$ 993,087	\$ 0.01
Pancreas/Intestine	0.00000002	\$ 993,087	\$ 0.00
Other Multi-Organ TP	0.00000044	\$ 1,000,000	\$ 0.04
AuBMT	0.000004867	\$ 260,740	\$ 1.06
ABMT & Cord, Related	0.000001483	\$ 459,762	\$ 0.57
ABMT& Cord Unrelated	0.000002399	\$ 544,367	\$ 1.09
Total	0.000016011	\$ 348,433	\$ 4.65


The \$4.65 pmpm cost is multiplied by 1.1 to cover the work-up costs of non-transplants and by 1.940 to convert to a composite employee claims cost of \$9.92

Loadings:

Net Rate	9.92	67.5% Anticipated Loss Ratio
Premium Tax	0.29	2.0%
Underwriting Margin	1.10	7.5%
Underwriting Expense	1.18	8.0%
Administrative Expense	0.74	5.0%
Commissions	1.47	10.0%
Total	14.70	100.0%

This policy is to be sold as a Specified Disease policy.

I certify that these rates make good and sufficient provision for the benefits to be provided. To the best of my knowledge and judgment this filing is in compliance with applicable laws and regulations of this state.



\_\_\_\_\_

Michael K. Gastineau, FSA, MAAA

June 30, 2013

Date