

State: District of Columbia **Filing Company:** Guarantee Trust Life Insurance Company
TOI/Sub-TOI: H21 Health - Other/H21.000 Health - Other
Product Name: Limited Benefit Hospital Confinement Policy
Project Name/Number: /G1350-DC RATES

Filing at a Glance

Company: Guarantee Trust Life Insurance Company
Product Name: Limited Benefit Hospital Confinement Policy
State: District of Columbia
TOI: H21 Health - Other
Sub-TOI: H21.000 Health - Other
Filing Type: Rate
Date Submitted: 12/26/2013
SERFF Tr Num: GRTT-129352316
SERFF Status: Assigned
State Tr Num:
State Status:
Co Tr Num: G1350-DC RATES
Implementation: On Approval
Date Requested:
Author(s): Joan Jannotta, Ann Ryan
Reviewer(s): Darniece Shirley (primary), Alula Selassie, Donghan Xu
Disposition Date:
Disposition Status:
Implementation Date:
State Filing Description:

State: District of Columbia
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 Product Name: Limited Benefit Hospital Confinement Policy
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General Information

Project Name: Status of Filing in Domicile: Authorized
 Project Number: G1350-DC RATES 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: Individual
 Overall Rate Impact: Filing Status Changed: 12/26/2013
 State Status Changed:
 Deemer Date: Created By: Joan Jannotta
 Submitted By: Joan Jannotta Corresponding Filing Tracking Number: GRTT-129316867
 PPACA: Not PPACA-Related

PPACA Notes: null
 Include Exchange Intentions: No

Filing Description:
 Limited Benefit Hospital Confinement Indemnity Policy – G1350-DC
 Transportation and Lodging Indemnity Benefit Rider – RG13AR
 First Diagnosis Cancer Lump Sum and Reoccurrence Benefit Rider – RG13CLSR
 Doctor Office Visit Benefit Rider – RG13DO
 Emergency Room Indemnity Rider for Accidents – RG13ER
 Heart Attack or Stroke Lump Sum and Reoccurrence Benefit Rider – RG13HSLS
 Intensive Care Indemnity Benefit Rider – RG13IC
 Lump Sum Hospital Benefit Rider – RG13LSH
 Return of Premium Upon Death Rider – RG13ROP (D)
 Skilled Nursing Facility Indemnity Benefit Rider – RG13PSNF
 Surgical and Transplant Indemnity Benefit Rider – RG13SR
 Wellness Benefit Rider – RG13WR
 Outline of Coverage – OCG1350
 Application – APPH2-13-DC
 Actuarial Memorandum and rates

This is the rate filing for the above referenced forms which have been submitted to the Department under serff filing number GRTT-129316867.

We are submitting the above referenced forms for the Department’s review and approval. They are new and will not replace any form currently on file with your Department. Enclosed are the applicable rates and supporting actuarial data.

The enclosed forms provide limited benefit medical coverage. The base plan offers a daily benefit when confined to a hospital due to an injury or sickness. Five benefit plans will be offered and include 10 of the 11 benefit riders listed above. The plans will vary by the amount of the benefit. The Return of Premium rider is optional.

In the solicitation of this product we will use application APPH2-13-DC. We have included it in this filing for approval. We would appreciate general approval of this application so that it may be used with similar products approved by your state. Any bracketed information in the application is variable. It is not our intention to make any changes that would cause this application to be out of compliance with any statutory requirements.

State: District of Columbia **Filing Company:** Guarantee Trust Life Insurance Company
TOI/Sub-TOI: H21 Health - Other/H21.000 Health - Other
Product Name: Limited Benefit Hospital Confinement Policy
Project Name/Number: /G1350-DC RATES

We respectfully request your favorable consideration and approval of this filing. If you have questions on any aspect of this filing, please contact me via serff or email at jjannotta@gtlic.com.

Company and Contact

Filing Contact Information

Joan Jannotta, jjannotta@gtlic.com
 1275 Milwaukee Ave. 847-904-5730 [Phone]
 Glenview, IL 60025 847-699-0093 [FAX]

Filing Company Information

Guarantee Trust Life Insurance Company	CoCode: 64211	State of Domicile: Illinois
1275 Milwaukee Avenue	Group Code: 687	Company Type: Mutual
1275 Milwaukee Avenue	Group Name:	State ID Number:
Glenview, IL 60025	FEIN Number: 36-1174500	
(847) 460-4772 ext. [Phone]		

Filing Fees

Fee Required? No
 Retaliatory? No
 Fee Explanation:

SERFF Tracking #:

GRTT-129352316

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

G1350-DC RATES

State:

District of Columbia

Filing Company:

Guarantee Trust Life Insurance Company

TOI/Sub-TOI:

H21 Health - Other/H21.000 Health - Other

Product Name:

Limited Benefit Hospital Confinement Policy

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/G1350-DC RATES

Rate/Rule Schedule

Item No.	Schedule Item Status	Document Name	Affected Form Numbers (Separated with commas)	Rate Action	Rate Action Information	Attachments
1		Rate Sheets	G1350-DC, RG13AR, RG13CLSR, RG13DO, RG13ER, RG13HSLs, RG13IC, RG13LSH, RG13PSNF, RG13ROP(D), RG13SR, RG13WR	New		50% Generic Rates.pdf,

GUARANTEE TRUST LIFE INSURANCE COMPANY

Individual Hospital Indemnity Policy and Riders - Gross Annual Premiums Per Unit

Forms: G1350, RG13AR, RG13CLSR, RG13DO, RG13ER, RG13HLS, RG13IC, RG13LSH, RG13PSNF, RG13ROP(D), RG13SR, RG13WR

Exhibit A - Rate Sheet

Age Band	Base Indv \$100 / Unit*	Base Fam \$100 / Unit*	Lump Sum Indv \$100 / Unit	Lump Sum Fam \$100 / Unit	Amb Trans Lodging Indv	Amb Trans Lodging Fam	Emerg Room Indv \$100 / Unit	Emerg Room Fam \$100 / Unit
Up to 39	59.17	111.32	10.38	23.76	24.83	65.02	9.98	34.88
40-44	72.72	136.47	13.21	28.82	26.12	66.41	9.88	33.80
45-49	87.31	162.78	16.04	33.84	27.62	67.92	9.85	32.59
50-54	109.65	203.35	20.32	41.36	31.00	72.14	9.83	30.69
55-59	133.28	246.12	24.72	49.19	35.26	78.32	9.76	28.97
60-64	168.25	310.71	31.44	61.46	43.57	92.48	9.71	27.65
65-69	191.68	354.20	35.75	69.24	49.50	102.33	9.04	25.28
70-74	221.22	409.65	40.87	78.69	56.71	114.97	8.21	22.96
75-79	256.21	474.82	47.03	90.14	63.77	127.57	7.62	21.29
80-90	299.74	555.60	54.77	104.60	68.44	135.78	7.10	19.84

* Base Policy has a \$55 Annual Policy Fee in addition to the unit-based premium rates.

Age Band	ICU Indv \$100 / Unit	ICU Fam \$100 / Unit	Doctor Office Visit Indv \$25 / Unit	Doctor Office Visit Fam \$25 / Unit	Surgery Transplant Indv \$100/\$50/\$5,000 IP/OP/Trans Per Unit	Surgery Transplant Fam \$100/\$50/\$5,000 IP/OP/Trans Per Unit	Wellness Indv \$50 / Unit	Wellness Fam \$50 / Unit
Up to 39	6.99	14.05	43.71	129.00	21.56	46.68	16.98	32.96
40-44	9.88	19.42	49.92	138.04	25.01	52.80	18.99	36.67
45-49	12.81	24.83	56.33	146.73	28.54	59.01	20.73	39.86
50-54	16.80	32.20	65.82	159.12	33.63	67.87	22.98	43.94
55-59	20.54	39.13	74.53	170.84	38.52	76.47	24.93	47.48
60-64	24.89	47.21	84.81	186.53	43.54	85.43	27.25	51.74
65-69	25.88	49.01	84.81	186.53	43.54	85.43	27.25	51.74
70-74	28.09	53.11	84.81	186.53	43.54	85.43	27.25	51.74
75-79	34.10	64.36	84.81	186.53	43.54	85.43	27.25	51.74
80-90	41.84	78.87	84.81	186.53	43.54	85.43	27.25	51.74

Age Band	Cancer Lump Non-Smoker Indv \$1,000 / Unit	Cancer Lump Non-Smoker Fam \$1,000 / Unit	Cancer Lump Smoker Indv \$1,000 / Unit	Cancer Lump Smoker Fam \$1,000 / Unit	Heart Lump Non-Smoker Indv \$1,000 / Unit	Heart Lump Non-Smoker Fam \$1,000 / Unit	Heart Lump Smoker Indv \$1,000 / Unit	Heart Lump Smoker Fam \$1,000 / Unit
Up to 39	7.56	15.66	9.45	19.58	4.86	9.53	6.08	11.91
40-44	10.71	21.47	13.39	26.84	7.50	14.45	9.38	18.06
45-49	13.92	27.40	17.40	34.25	10.50	20.04	13.13	25.05
50-54	18.33	35.49	22.91	44.36	15.06	28.54	18.83	35.68
55-59	22.33	42.85	27.91	53.56	19.76	37.31	24.70	46.64
60-64	26.91	51.32	33.64	64.15	26.35	49.64	32.94	62.05
65-69	28.72	54.60	35.90	68.25	30.85	58.06	38.56	72.58
70-74	32.38	61.57	40.48	76.96	34.72	65.30	43.40	81.63
75-79	33.17	63.07	41.46	78.84	35.57	66.89	44.46	83.61
80-90	34.75	66.07	43.44	82.59	37.27	70.08	46.59	87.60

Age Band	SNF Indv \$100 / Unit	SNF Fam \$100 / Unit
Up to 39	2.82	6.57
40-44	5.17	10.92
45-49	8.15	16.41
50-54	15.05	29.20
55-59	23.63	45.17
60-64	40.80	77.26
65-69	58.39	110.15
70-74	86.45	162.72
75-79	120.65	226.80
80-90	167.69	314.99

ROP Upon Death Only

Issue	Rate per \$1
<u>Age</u>	<u>of annual premium**</u>
0-79	0.25

** Rider factor applied to total policy premium including any other riders

Note: Modal Loads Semi Annual 0.50; Quarterly 0.25; and Monthly 0.08333

State: District of Columbia
TOI/Sub-TOI: H21 Health - Other/H21.000 Health - Other
Product Name: Limited Benefit Hospital Confinement Policy
Project Name/Number: /G1350-DC RATES

Filing Company: Guarantee Trust Life Insurance Company

Supporting Document Schedules

Satisfied - Item:	Cover Letter All Filings
Comments:	
Attachment(s):	DC Rates Only Letter.pdf
Item Status:	
Status Date:	

Bypassed - Item:	Certificate of Authority to File
Bypass Reason:	Not a third party filer
Attachment(s):	
Item Status:	
Status Date:	

Satisfied - Item:	Actuarial Memorandum
Comments:	
Attachment(s):	50% Generic Actuarial Memo and Exhibit A&B.pdf
Item Status:	
Status Date:	

Satisfied - Item:	Actuarial Justification
Comments:	Please see memorandum.
Attachment(s):	
Item Status:	
Status Date:	

Bypassed - Item:	District of Columbia and Countrywide Loss Ratio Analysis (P&C)
Bypass Reason:	Not P & C
Attachment(s):	
Item Status:	
Status Date:	

Bypassed - Item:	District of Columbia and Countrywide Experience for the Last 5 Years (P&C)
Bypass Reason:	Not P&C
Attachment(s):	
Item Status:	
Status Date:	

SERFF Tracking #:

GRTT-129352316

State Tracking #:

Company Tracking #:

G1350-DC RATES

State:

District of Columbia

Filing Company:

Guarantee Trust Life Insurance Company

TOI/Sub-TOI:

H21 Health - Other/H21.000 Health - Other

Product Name:

Limited Benefit Hospital Confinement Policy

Project Name/Number:

/G1350-DC RATES

Bypassed - Item:	Consumer Disclosure Form
Bypass Reason:	Per above instructions.
Attachment(s):	
Item Status:	
Status Date:	

Bypassed - Item:	Actuarial Memorandum and Certifications
Bypass Reason:	Not PPACA related
Attachment(s):	
Item Status:	
Status Date:	

Bypassed - Item:	Unified Rate Review Template
Bypass Reason:	Not PPACA related
Attachment(s):	
Item Status:	
Status Date:	



Guarantee Trust Life Insurance Company

1275 Milwaukee Avenue – Glenview, Illinois 60025 – (847) 699-0600

RE: **Guarantee Trust Life Insurance Company**
NAIC #687-64211/FEIN #36-1174500
Limited Benefit Hospital Confinement Indemnity Policy – G1350-DC
Transportation and Lodging Indemnity Benefit Rider – RG13AR
First Diagnosis Cancer Lump Sum and Reoccurrence Benefit Rider – RG13CLSR
Doctor Office Visit Benefit Rider – RG13DO
Emergency Room Indemnity Rider for Accidents – RG13ER
Heart Attack or Stroke Lump Sum and Reoccurrence Benefit Rider – RG13HSL
Intensive Care Indemnity Benefit Rider – RG13IC
Lump Sum Hospital Benefit Rider – RG13LSH
Return of Premium Upon Death Rider – RG13ROP (D)
Skilled Nursing Facility Indemnity Benefit Rider – RG13PSNF
Surgical and Transplant Indemnity Benefit Rider – RG13SR
Wellness Benefit Rider – RG13WR
Outline of Coverage – OCG1350
Application – APPH2-13-DC
Actuarial Memorandum and rates

Dear Madam or Sir:

We are submitting the above referenced forms for the Department's review and approval under the corresponding serff tracking number shown on the General Information tab. They are new and will not replace any form currently on file with your Department. Enclosed are the applicable rates and supporting actuarial data for approval the Department's approval. The rates will be effective once the forms and rates are approved. There are currently no DC policies in force as this is a new product.

The enclosed forms provide limited benefit medical coverage. The base plan offers a daily benefit when confined to a hospital due to an injury or sickness. Five benefit plans will be offered and include 10 of the 11 benefit riders listed above. The plans will vary by the amount of the benefit. The Return of Premium rider is optional.

We respectfully request your favorable consideration and approval of this rate filing. If you have questions on any aspect of this filing, please contact me via serff or email at jjannotta@gtlic.com.

Sincerely,

Joan Jannotta
Product Manager
Product Approval and Compliance (PAC)
E-mail: jjannotta@gtlic.com
Fax: 847-699-0093

**ACTUARIAL JUSTIFICATION OF PREMIUM RATES
GUARANTEE TRUST LIFE INSURANCE COMPANY**

Individual Hospital Indemnity Policy and Riders

Forms: G1350, RG13AR, RG13CLSR, RG13DO, RG13ER, RG13HSL, RG13IC, RG13LSH, RG13PSNF, RG13ROP(D), RG13SR, RG13WR

1. SCOPE AND PURPOSE OF FILING

The purpose of this filing is to demonstrate that the anticipated loss ratio for this form meets the minimum requirements of this state and to certify that benefits are reasonable in relationship to the premiums charged. This filing is not intended to be used for any other purpose.

2. DESCRIPTION OF BENEFITS

The following is intended to be a general description of the benefits provided by this policy. For a detailed description of the benefits, limitations, and exclusions please refer to the policy form.

BASE POLICY

Daily Hospital Indemnity Benefit (G1350)

Pays the following daily indemnity benefit per unit for hospital confinement as an inpatient due to a covered accident or sickness. Confinement in a Hospital for at least eighteen (18) hours by reason of a covered Sickness, covered Injury, or covered Mental or Nervous Disorder for which a charge for room and board is made.

<u>Days of Confinement</u>	<u>Benefit Amount / Unit</u>
1-30	\$100

Guaranteed Purchase Option (15% benefit increases every 3 years to age 80)

RIDERS

Lump Sum Hospital Benefit Rider (RG13LSH)

Pays a lump sum benefit of (1-10) times the Daily Benefit that was payable under the Certificate (or Rider for Spouse or Child) for the same confinement. This benefit is payable once for each confinement (must be admitted as inpatient) when the Hospital Confinement is covered under the Policy to which this Rider is attached.

<u>Benefit Amount / Unit</u>
\$100

Transportation and Lodging Indemnity Benefit Rider (RG13AR)

Pays the transportation, ambulance and lodging benefit amount as shown below. The benefit is limited to four trips per calendar year for ground ambulance transport, one trip per calendar year for air ambulance transport, two round trips per calendar year for private vehicle transport and thirty days per calendar year for lodging.

<u>Benefit Amount</u>	<u>Type of Benefit</u>
\$250	Ground Ambulance - up to 4 times per year
\$1,500	Air Ambulance - up to 1 time per year
Up to \$2,000	Air/Rail/Bus Per Year
\$0.60/mile Up to \$2,000	Private Vehicle - minimum distance 100 miles. 2 Roundtrips per year.
\$100/night	Lodging - minimum distance 100 miles. Up to 30 days per year.

Emergency Room Indemnity Rider for Accidents (RG13ER)

Pays the amount shown below for emergency services rendered to a covered person in a hospital emergency room for loss sustained as a result of a covered Accident. Benefit is not payable for Urgent Care Clinics or Convenient Care Centers. Benefit is paid up to 4 times per calendar year.

<u>Benefit Amount / Unit</u>
\$100

**ACTUARIAL JUSTIFICATION OF PREMIUM RATES
GUARANTEE TRUST LIFE INSURANCE COMPANY**

Individual Hospital Indemnity Policy and Riders

Forms: G1350, RG13AR, RG13CLSR, RG13DO, RG13ER, RG13HSL, RG13IC, RG13LSH, RG13PSNF, RG13ROP(D), RG13SR, RG13WR

Intensive Care Indemnity Rider (RG13IC) - Daily Indemnity Benefit

The benefit amount is paid for each day a Covered Person is confined in an Intensive Care Unit. Rider benefits are payable for an Intensive Care Unit confinement due to a covered Injury or covered Sickness. If a Covered Person is confined in a Step-Down Unit, the benefit will be one-half (1/2) the amount of the Intensive Care Benefit Amount otherwise payable.

<u>Age</u>	<u>Days of Confinement</u>	<u>Benefit Amount / Unit</u>
0-69	1-30	\$100
70+	1-30	\$50

Doctor Office Visit Indemnity Benefit Rider (RG13DO)

Pays the amount shown below for a doctor's office visit each day that a covered person visits or receives a treatment from a doctor due to a covered injury or sickness. The doctor office visit benefit is limited to four doctor visits/treatments per calendar year.

<u>Benefit Amount / Unit</u>	<u>Limitations</u>
\$25	Up to 4 times per year including Urgent/Convenient Clinics

Surgical and Transplant Indemnity Benefit Rider (RG13SR)

Pays the surgical benefit amount for a surgical procedure performed on a covered person by a doctor when such procedure is performed in a hospital, an ambulatory surgical center or outpatient facility of a hospital. Indemnity benefits are paid for both inpatients and/or outpatients with a maximum of 2 times per year for inpatient/outpatient/transplant combined.

<u>Benefit Amount / Unit</u>	<u>Type of Benefit</u>
\$100	Inpatient
\$50	Outpatient
\$5,000	Organ Transplant*
\$2,500	Stem Cell Transplant*
50%	Donor Benefit of corresponding transplant benefit amount

*Transplant benefit amount increases after 1 year by 5%; and continues to increase every year thereafter by 5% up to 10 years, as long as the policy remains in force.

Wellness Benefit Rider (RG13WR)

Health & Wellness Benefit:

Pays an indemnity benefit of \$50 per unit once per calendar year for the following tests:

- Mammogram
- Breast Ultrasound
- Breast MRI (Magnetic Resonance Imaging)
- CA15-3 (Blood Test for Breast Cancer Tumor)
- Pap smear (Conventional or Thin Prep)
- Biopsy
- Flexible Sigmoidoscopy
- Hemocult Stool Specimen (Lab Confirmed)
- Chest X-ray
- MRI (Magnetic Resonance Imaging)
- CAT Scan
- Electrocardiogram
- Heart Catheterization
- Sleep Studies
- CEA (Blood Test for Colon Cancer)
- CA 125 (Blood Test for Ovarian Cancer)
- PSA (Blood Test for Prostate Cancer)
- Testicular Ultrasound
- Thermograph
- Colonoscopy
- Virtual Colonoscopy
- Serum Protein Electrophoresis
- Echocardiogram
- Blood Test to Confirm Elevated Cardiac Enzymes
- Neuroimaging Studies
- Thallium Scan
- Angiogram
- Individual Blood Test*

Additional payment shall not be made should a covered person have more than one of the allowable tests performed per calendar year.

*Individual Blood Test

For purpose of this Rider, Individual Blood Test means one of the following:

- A1C Diabetes Test
- Glucose and A1C Diabetes Check
- Cholesterol
- CBC (Complete Blood Count)
- Complete Metabolic Panel
- Cardiac C-Reactive Protein
- Hepatitis ABC Panel
- Prothrombin Time (PT) & Partial Thromboplastin Time (PTT) Activated
- Liver Enzymes
- Thyroid Panel and Thyroid Stimulating Hormone (TSH)
- Testosterone Count
- Estrogen Profile
- Rheumatoid Arthritis Factor
- Vitamin D 25-Hydroxy
- Human Immunodeficiency Virus (HIV) Antibody

**ACTUARIAL JUSTIFICATION OF PREMIUM RATES
GUARANTEE TRUST LIFE INSURANCE COMPANY**

Individual Hospital Indemnity Policy and Riders

Forms: G1350, RG13AR, RG13CLSR, RG13DO, RG13ER, RG13HSL, RG13IC, RG13LSH, RG13PSNF, RG13ROP(D), RG13SR, RG13WR

Healthy Lifestyle Benefit:

Pays pay the Healthy Lifestyle Benefit Amount, as shown on the Rider Benefits Schedule, when a Covered Person undergoes a physical examination by a Doctor, or a Covered Person participates in a program designed to promote a healthy lifestyle choice. Such program participation is limited to weight loss, smoking cessation, and physical fitness, including these programs as sponsored by the Covered Person's employer. Benefit payment under this benefit provision is limited to once per Calendar Year per Covered Person over the age of seventeen (17).

Alternative Care Benefit:

Pays the Alternative Care Benefit Amount, as shown on the Rider Benefit Schedule for a Covered Person when prescribed by a Doctor for treating a covered Injury or covered Sickness. Alternative Care is limited to yoga, meditation, relaxation techniques, Tai-Chi, acupuncture, therapeutic massage, nutritional counseling. Benefits are subject to a limit of one visit per month with an accredited practitioner, up to a lifetime maximum of twenty-four (24) visits. Continued benefit payment for Alternative Care, as shown above, are subject to a Covered Person providing proof for a covered Injury or covered Sickness.

Cancer Lump Sum and Reoccurrence Benefit Rider (RG13CLSR)

Lump Sum Benefit

Pays an indemnity benefit when a Covered Person is diagnosed as having Internal Cancer or Cancer in Situ. This benefit is payable only once for each Covered Person. Separate benefits are payable for the diagnosis of Internal Cancer (\$1,000 per unit) and Cancer in Situ (\$250 per unit). This benefit is not payable for Skin Cancer.

Re-occurrence Benefit

Re-occurrence of cancer whether it is a previously diagnosed cancer or newly diagnosed cancer is covered provided that the insured has been cancer free and did not have treatment for cancer during the 365 days prior to the subsequent diagnosis of cancer. The lump sum benefit payable varies with the year of re-occurrence as follows:

<u>Number of Full Years Elapsed</u>	<u>% of First Diagnosis Benefit</u>
Less than 1	0%
1	10%
2-3	25%
4	50%
5+	100%

Heart Attack or Stroke Lump Sum and Reoccurrence Benefit Rider (RS13HSL)

Lump Sum Benefit

Pays an indemnity benefit of \$1,000 per unit when a Covered Person is diagnosed as having a heart attack or stroke. This benefit is payable only once for each Covered Person.

Re-occurrence Benefit

After 365 days have passed following payment of the indemnity benefit for a heart attack or stroke, lump sum benefits for a subsequent heart attack or stroke are payable subject to the following schedule.

<u>Number of Full Years Elapsed</u>	<u>% of First Diagnosis Benefit</u>
Less than 1	0%
1	10%
2-3	25%
4	50%
5+	100%

Coronary Angioplasty or Bypass

Coronary Angioplasty or Bypass Benefit: Pays an indemnity benefit of \$100 per unit when a Covered Person undergoes Coronary Angioplasty or Bypass. This benefit is not payable if the Coronary Angioplasty or Bypass is performed as a direct result of a Heart Attack which immediately preceded the procedure.

Skilled Nursing Facility Indemnity Benefit Rider (RG13PSNF)

This benefit is payable when a Covered Person has first been Hospital Confined for 3 or more consecutive days; the Skilled Nursing Facility confinement begins within 30 days after such Hospital Confinement; the Skilled Nursing Facility confinement is for the same covered Injury or covered Sickness as the Hospital Confinement for which we paid benefits.

<u>Benefit Amount / Unit</u>	<u>Days of Confinement</u>
\$100	1-30

Return of Premium Upon Death Benefit Rider (RG13ROP(D))

This rider provides a return of premium benefit less claims in the event of death within ten years of this rider's effective date, or death occurs prior to age eighty.

**ACTUARIAL JUSTIFICATION OF PREMIUM RATES
GUARANTEE TRUST LIFE INSURANCE COMPANY**

Individual Hospital Indemnity Policy and Riders

Forms: G1350, RG13AR, RG13CLSR, RG13DO, RG13ER, RG13HSL, RG13IC, RG13LSH, RG13PSNF, RG13ROP(D), RG13SR, RG13WR

3. UNDERWRITING

This policy is underwritten on a simplified issue basis.

4. MARKETING METHOD

This policy will be marketed to individuals by contracted agents and brokers.

5. ISSUE AGES AND RENEWABILITY

Policies will be issued to applicants from 0 to 90 years of age. This Policy is guaranteed renewable for life. Company may change the premium rates for this policy by giving at least thirty-one (31) days prior written notice. Rates can be changed based on premium class and only if premiums are changed for all similar policies in this state.

6. GROSS PREMIUM

The GGY AXIS Disability Insurance Module was used to conduct statutory projections for this product. The premiums vary by individual versus family coverage, plan type and age at issue. Also, premiums vary by smoker / non-smoker status for the following optional riders: Cancer Lump Sum and Reoccurrence Benefit Rider and Heart Attack or Stroke Lump Sum and Reoccurrence Benefit Rider Sum.

7. MORTALITY AND LAPSE RATES

Voluntary Lapse Rates assumed are as follows:

Policy Year	Issue Age					
	0-29	30-39	40-49	50-59	60-69	70+
1	40%	30%	25%	20%	20%	20%
2	15%	12%	10%	10%	8%	8%
3	12%	10%	9%	8%	7%	6%
4+	10%	9%	8%	7%	6%	5%

Mortality is based on 100% of Loaded 1994 GAM Tables.

8. INTEREST

3.0% pre-tax investment earnings rate, after expenses.

9. CLAIM COSTS

Based upon Wakely Actuarial Services claim cost guidelines. Adjusted for underwriting selection factors and client experience. Assumed a 50/50 male/female distribution.

10. RESERVES

Statutory: Gross unearned premiums plus the tabular reserves will be held. Tabular reserves are 2YPT, 2001 CSO Mortality Table and the appropriate valuation interest rate, which is currently 3.5%. Voluntary lapse rates are used in the calculation of the tabular reserve.

ROP-Death tabular reserves are 1 year FPT, currently a 3.5% valuation rate.

11. PREMIUMS

Based upon the anticipated sales distribution, the expected nationwide average annual premium per policy, excluding the return of premium rider, is \$2,572.

Annual gross premiums are attached in Exhibit A.

12. POLICY FEE

This Policy has an annual fee of \$55 in addition to unit based rates.

**ACTUARIAL JUSTIFICATION OF PREMIUM RATES
GUARANTEE TRUST LIFE INSURANCE COMPANY**

Individual Hospital Indemnity Policy and Riders

Forms: G1350, RG13AR, RG13CLSR, RG13DO, RG13ER, RG13HSL, RG13IC, RG13LSH, RG13PSNF, RG13ROP(D), RG13SR, RG13WR

13. ANTICIPATED LOSS RATIO

The lifetime anticipated loss ratio for this form exceeds 50%, the minimum required loss ratio for this type of coverage in this state. The lifetime anticipated loss ratio is calculated as the present value of future benefits divided by the present value of future premiums. Active life reserves are not included in the calculation of the incurred loss ratio.

14. 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 of this state and Actuarial Standard of Practice No. 8, "Regulatory Filings for Rates and Financial Projections for Health Plans"; that the anticipated loss ratio submitted herein is expected to develop over the period for which rates are computed to provide coverage; and that the benefits are reasonable in relation to the premiums charged. In my opinion, the rates are not excessive, inadequate, or unfairly discriminatory.

Respectfully submitted,



Kamran A. Malik, A.S.A., M.A.A.A.
Consulting Actuary
Wakely Actuarial
Palm Harbor, Florida

September 6, 2013

Attachments:

Exhibit A - Annual Gross Premium Rates
Exhibit B - Anticipated Loss Ratios

GUARANTEE TRUST LIFE INSURANCE COMPANY

Individual Hospital Indemnity Policy and Riders - Gross Annual Premiums Per Unit

Forms: G1350, RG13AR, RG13CLSR, RG13DO, RG13ER, RG13HLS, RG13IC, RG13LSH, RG13PSNF, RG13ROP(D), RG13SR, RG13WR

Exhibit A - Rate Sheet

Age Band	Base Indv \$100 / Unit*	Base Fam \$100 / Unit*	Lump Sum Indv \$100 / Unit	Lump Sum Fam \$100 / Unit	Amb Trans Lodging Indv	Amb Trans Lodging Fam	Emerg Room Indv \$100 / Unit	Emerg Room Fam \$100 / Unit
Up to 39	59.17	111.32	10.38	23.76	24.83	65.02	9.98	34.88
40-44	72.72	136.47	13.21	28.82	26.12	66.41	9.88	33.80
45-49	87.31	162.78	16.04	33.84	27.62	67.92	9.85	32.59
50-54	109.65	203.35	20.32	41.36	31.00	72.14	9.83	30.69
55-59	133.28	246.12	24.72	49.19	35.26	78.32	9.76	28.97
60-64	168.25	310.71	31.44	61.46	43.57	92.48	9.71	27.65
65-69	191.68	354.20	35.75	69.24	49.50	102.33	9.04	25.28
70-74	221.22	409.65	40.87	78.69	56.71	114.97	8.21	22.96
75-79	256.21	474.82	47.03	90.14	63.77	127.57	7.62	21.29
80-90	299.74	555.60	54.77	104.60	68.44	135.78	7.10	19.84

* Base Policy has a \$55 Annual Policy Fee in addition to the unit-based premium rates.

Age Band	ICU Indv \$100 / Unit	ICU Fam \$100 / Unit	Doctor Office Visit Indv \$25 / Unit	Doctor Office Visit Fam \$25 / Unit	Surgery Transplant Indv \$100/\$50/\$5,000 IP/OP/Trans Per Unit	Surgery Transplant Fam \$100/\$50/\$5,000 IP/OP/Trans Per Unit	Wellness Indv \$50 / Unit	Wellness Fam \$50 / Unit
Up to 39	6.99	14.05	43.71	129.00	21.56	46.68	16.98	32.96
40-44	9.88	19.42	49.92	138.04	25.01	52.80	18.99	36.67
45-49	12.81	24.83	56.33	146.73	28.54	59.01	20.73	39.86
50-54	16.80	32.20	65.82	159.12	33.63	67.87	22.98	43.94
55-59	20.54	39.13	74.53	170.84	38.52	76.47	24.93	47.48
60-64	24.89	47.21	84.81	186.53	43.54	85.43	27.25	51.74
65-69	25.88	49.01	84.81	186.53	43.54	85.43	27.25	51.74
70-74	28.09	53.11	84.81	186.53	43.54	85.43	27.25	51.74
75-79	34.10	64.36	84.81	186.53	43.54	85.43	27.25	51.74
80-90	41.84	78.87	84.81	186.53	43.54	85.43	27.25	51.74

Age Band	Cancer Lump Non-Smoker Indv \$1,000 / Unit	Cancer Lump Non-Smoker Fam \$1,000 / Unit	Cancer Lump Smoker Indv \$1,000 / Unit	Cancer Lump Smoker Fam \$1,000 / Unit	Heart Lump Non-Smoker Indv \$1,000 / Unit	Heart Lump Non-Smoker Fam \$1,000 / Unit	Heart Lump Smoker Indv \$1,000 / Unit	Heart Lump Smoker Fam \$1,000 / Unit
Up to 39	7.56	15.66	9.45	19.58	4.86	9.53	6.08	11.91
40-44	10.71	21.47	13.39	26.84	7.50	14.45	9.38	18.06
45-49	13.92	27.40	17.40	34.25	10.50	20.04	13.13	25.05
50-54	18.33	35.49	22.91	44.36	15.06	28.54	18.83	35.68
55-59	22.33	42.85	27.91	53.56	19.76	37.31	24.70	46.64
60-64	26.91	51.32	33.64	64.15	26.35	49.64	32.94	62.05
65-69	28.72	54.60	35.90	68.25	30.85	58.06	38.56	72.58
70-74	32.38	61.57	40.48	76.96	34.72	65.30	43.40	81.63
75-79	33.17	63.07	41.46	78.84	35.57	66.89	44.46	83.61
80-90	34.75	66.07	43.44	82.59	37.27	70.08	46.59	87.60

Age Band	SNF Indv \$100 / Unit	SNF Fam \$100 / Unit
Up to 39	2.82	6.57
40-44	5.17	10.92
45-49	8.15	16.41
50-54	15.05	29.20
55-59	23.63	45.17
60-64	40.80	77.26
65-69	58.39	110.15
70-74	86.45	162.72
75-79	120.65	226.80
80-90	167.69	314.99

ROP Upon Death Only

Issue	Rate per \$1
<u>Age</u>	of annual
0-79	<u>premium**</u>
	0.25

** Rider factor applied to total policy premium including any other riders

Note: Modal Loads Semi Annual 0.50; Quarterly 0.25; and Monthly 0.08333

GUARANTEE TRUST LIFE INSURANCE COMPANY

Individual Hospital Indemnity Policy and Riders Except ROP-Death

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EXHIBIT B - ANTICIPATED LOSS RATIOS

Policy Year	Expected Earned Premiums	Expected Incurred Claims	Expected Incurred Claim Loss Ratio
1	2,303,609	477,943	20.7%
2	1,890,747	487,697	25.8%
3	1,704,037	537,677	31.6%
4	1,556,233	564,978	36.3%
5	1,427,646	562,868	39.4%
6	1,307,269	558,883	42.8%
7	1,194,640	553,740	46.4%
8	1,089,419	547,268	50.2%
9	991,297	539,411	54.4%
10	899,942	526,948	58.6%
11	815,016	513,079	63.0%
12	736,211	498,487	67.7%
13	663,284	483,193	72.8%
14	595,999	467,140	78.4%
15	534,085	446,631	83.6%
16	477,247	425,670	89.2%
17	425,197	404,936	95.2%
18	377,684	384,436	101.8%
19	334,462	364,105	108.9%
20	295,269	340,992	115.5%
21	259,832	318,337	122.5%
22	227,888	289,601	127.1%
23	199,196	263,159	132.1%
24	173,526	238,796	137.6%
25	150,644	213,781	141.9%

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EXHIBIT B - ANTICIPATED LOSS RATIOS

Policy Year	Expected Earned Premiums	Expected Incurred Claims	Expected Incurred Claim Loss Ratio
26	130,316	190,859	146.5%
27	112,317	170,280	151.6%
28	96,442	151,736	157.3%
29	82,497	135,018	163.7%
30	70,299	118,290	168.3%
31	59,671	103,341	173.2%
32	50,447	90,196	178.8%
33	42,475	78,632	185.1%
34	35,618	68,472	192.2%
35	29,749	58,626	197.1%
36	24,748	50,056	202.3%
37	20,507	42,697	208.2%
38	16,924	36,380	215.0%
39	13,913	30,967	222.6%
40	11,395	26,016	228.3%
41	9,299	21,804	234.5%
42	7,561	18,270	241.6%
43	6,127	15,302	249.7%
44	4,948	12,815	259.0%
45	3,984	10,559	265.1%
46	3,197	8,680	271.5%
47	2,559	7,133	278.8%
48	2,041	5,858	287.0%
49	1,623	4,809	296.2%
50	1,287	3,894	302.5%
Present Values @ 3.00%:	16,829,825	8,591,993	51.05%