

State: District of Columbia **Filing Company:** ReliaStar Life Insurance Company
TOI/Sub-TOI: H07G Group Health - Specified Disease - Limited Benefit/H07G.001 Critical Illness
Product Name: Compass Critical Illness
Project Name/Number: /

Filing at a Glance

Company: ReliaStar Life Insurance Company
Product Name: Compass Critical Illness
State: District of Columbia
TOI: H07G Group Health - Specified Disease - Limited Benefit
Sub-TOI: H07G.001 Critical Illness
Filing Type: Rate
Date Submitted: 06/11/2012
SERFF Tr Num: MNNP-128271692
SERFF Status: Assigned
State Tr Num:
State Status:
Co Tr Num: RL-CI3-POL-12
Implementation: On Approval
Date Requested:
Author(s): Molly Williams
Reviewer(s): Darniece Shirley (primary), Carolyn King
Disposition Date:
Disposition Status:
Implementation Date:
State Filing Description:

State: District of Columbia Filing Company: ReliaStar Life Insurance Company
 TOI/Sub-TOI: H07G Group Health - Specified Disease - Limited Benefit/H07G.001 Critical Illness
 Product Name: Compass Critical Illness
 Project Name/Number: /

General Information

Project Name: Status of Filing in Domicile:
 Project Number: Date Approved in Domicile:
 Requested Filing Mode: Domicile Status Comments:
 Explanation for Combination/Other: Market Type: Group
 Submission Type: New Submission Group Market Size: Large
 Group Market Type: Employer Overall Rate Impact:
 Filing Status Changed: 06/15/2012
 State Status Changed: Deemer Date:
 Created By: Molly Williams Submitted By: Molly Williams
 Corresponding Filing Tracking Number:

Filing Description:

Re: ReliaStar Life Insurance Company
 NAIC #: 0229-67105
 FEIN 41-0451140

- Group Critical Illness Policy Form #: RL-CI3-POL-12
- Group Critical Illness Certificate Form #: RL-CI3-CERT-12
- Spouse Critical Illness Rider Form #: RL-CI3-SPR-12
- Children’s Critical Illness Rider Form #: RL-CI3-CHR-12
- Wellness Benefit Rider Form #: RL-CI3-WELL-12
- Recurrence Rider Form #: RL-CI3-REC-12
- Restoration of Benefits Rider Form #: RL-CI3-REST-12
- Return of Premium Rider Form #: RL-CI3-ROP-12
- Group Insurance Application Form #:RL-GRP-MULTI-12
- Insurance Application and Reinstatement
- Request for Critical Illness Form #: CI3-IND-12-DC
- Insurance Application and Reinstatement
- Request for Critical Illness – Cancer Plan Form #: CI3-IND-12-DC-CAN

We are submitting the above captioned forms for review and approval. These forms are new and will not replace any forms previously approved by your Department.

This Policy provides critical illness insurance to eligible groups in your state. It will be primarily marketed to employer groups, but may also be marketed to union groups or multiple employer/union trust groups. It will be offered to all eligible employees/members. It will be offered as 100% employer paid, partially paid by employer with remaining premium paid by the employee, or 100% employee paid.

The provisions in the policy and certificate will always appear in the same context. However, dependent on any future filed language changes that may be required and system formatting limitations, the page numbers on which information falls may change.

The employer will elect the plan modules to be offered to the employees.

- The module options include:
- The Critical Illness module only,

State: District of Columbia **Filing Company:** ReliaStar Life Insurance Company
TOI/Sub-TOI: H07G Group Health - Specified Disease - Limited Benefit/H07G.001 Critical Illness
Product Name: Compass Critical Illness
Project Name/Number: /

- o Including optional Critical Illness Bundle A and/or Critical Illness Bundle B within the Critical Illness module.
- The Cancer module only or
- Both the Critical Illness and Cancer modules.
 - o Including optional Critical Illness Bundle A and/or Critical Illness Bundle B within the Critical Illness module.
- Critical Illness Bundle A and/or Critical Illness Bundle B could be included as stand -alone modules, allowing a benefit payment from each of the 4 modules (Critical Illness module, Cancer module, Bundle A module and Bundle B module).

For voluntary coverage, if the employer elects to offer both the Critical Illness and Cancer modules, the employee can elect to include the cancer module or not.

We also plan to offer employers a choice of coverage options based on how we pay benefits:

- A one-time benefit payment for any one of the covered conditions,
- A one-time benefit payment for any one condition in each module, or
- A one-time benefit for each covered condition..

The employer will elect to offer the Spouse and/or Children's Riders and will elect the amount to be offered. Employees will be able to choose to include these riders or opt not to have them.

The Wellness Benefit Rider, the Restoration of Benefits Rider, the Recurrence Rider and the Return of Premium Rider will be elected by the employer and will not be an option at the employee level.

This submission includes a Group Application and two employee applications. The applications may be in written or electronic format. When presented electronically, the actual wording of the statements and questions will not change, but based on the plan design and the responses, they may appear in a slightly different order. Logic will be built into the electronic system to allow only the applicable information and questions to appear to the applicant.

The Policy, Certificate, Riders and Applications contain bracketed material. Note that no change in the variable areas will be made which will be in conflict with the laws, rules and regulations of your state. A Statement of Variability explaining the variables is included in this submission

These forms are being filed concurrently in Minnesota, the domicile state for ReliaStar Life Insurance Company.

To the best of my knowledge and belief, this submission complies with the laws, regulations and bulletins of your state. Thank you in advance for your prompt review and consideration of this submission. Please contact me at the number listed above if you have any questions or if you need any additional information in order to complete your review.

Company and Contact

Filing Contact Information

Molly Williams, Compliance Analyst molly.williams@us.ing.com
P.O. Box 20 612-342-7233 [Phone]
Route 7791 612-342-3695 [FAX]
Minneapolis, MN 55440-0020

State: District of Columbia **Filing Company:** ReliaStar Life Insurance Company
TOI/Sub-TOI: H07G Group Health - Specified Disease - Limited Benefit/H07G.001 Critical Illness
Product Name: Compass Critical Illness
Project Name/Number: /

Filing Company Information

ReliaStar Life Insurance Company	CoCode: 67105	State of Domicile: Minnesota
P.O. Box 20	Group Code: 229	Company Type:
Minneapolis, MN 55440-0020	Group Name:	State ID Number:
(612) 372-5246 ext. [Phone]	FEIN Number: 41-0451140	

Filing Fees

Fee Required? No
 Retaliatory? No
 Fee Explanation:
 Per Company: No

Company	Amount	Date Processed	Transaction #
ReliaStar Life Insurance Company	\$0.00		

SERFF Tracking #:

MNNP-128271692

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

RL-CI3-POL-12

State: District of Columbia**Filing Company:**

ReliaStar Life Insurance Company

TOI/Sub-TOI: H07G Group Health - Specified Disease - Limited Benefit/H07G.001 Critical Illness**Product Name:** Compass Critical Illness**Project Name/Number:** /

Rate/Rule Schedule

Item No.	Schedule Item Status	Document Name	Affected Form Numbers (Separated with commas)	Rate Action*	Rate Action Information	Attachments
1		Exhibit A	RL-CI3-POL-12	New		Actuarial Memo - Group CI (generic) - Exhibit A.pdf

ACTUARIAL JUSTIFICATION OF PREMIUM RATES
ReliaStar Life Insurance Company
Group Critical Illness Policy and Riders
Exhibit A - Group Ratemaking Methodology

The rating methodology will be to 1) start with a table set of rates for each benefit module and rider being offered to the group, 2) apply factors to adjust for any group specific changes to benefit or product features, 3) apply factors to adjust for any group specific risk characteristics, and 4) divide by the commission and expense loads. The following more completely describes the process:

1) Start with a table set of rates for each benefit module and rider being offered to the group

Table rates vary by benefit, insured entity, and attained age as follows:

<u>Benefit</u>	<u>Rate definition</u>
Critical Illness Module	per thousand of Maximum Benefit Amount
Cancer Module	per thousand of Maximum Benefit Amount
Module A	per thousand of Maximum Benefit Amount
Module B	per thousand of Maximum Benefit Amount
Wellness Benefit Rider	per \$5 of Wellness Benefit
Restoration of Benefits Rider	per dollar of Module premium
Recurrence Rider	per dollar of Module premium
Return of Premium Rider	per dollar of all other premiums

Insured Entity
Employee/Member
Spouse
Children

Sample Table Rates per thousand of Maximum Benefit Amount

<u>Attained Age Band</u>	Attained Age	Critical Illness Module	Cancer Module	Module A	Module B	Wellness Benefit Rider*
0-19	0-19	2.20	0.20	0.20	0.45	1.50
20-24	20-24	2.35	0.30	0.20	0.45	1.50
25-29	25-29	2.40	0.40	0.20	0.45	1.50
30-34	30-34	2.50	0.60	0.20	0.45	1.50
35-39	35-39	2.90	0.90	0.30	0.50	1.50
40-44	40-44	3.60	1.60	0.30	0.60	1.50
45-49	45-49	5.00	2.70	0.40	0.90	1.50
50-54	50-54	7.20	4.40	0.40	1.20	1.50
55-59	55-59	9.50	6.80	0.50	2.70	1.50
60-64	60-64	13.60	10.10	0.70	7.00	1.50
65-69	65-69	22.20	14.10	0.80	12.80	1.50
70+	70+	34.90	18.70	1.40	12.80	1.50

*per \$5 of Wellness Benefit

Restoration, Recurrence and ROP Riders Sample Rate (per dollar of premium)
A factor applied to applicable premium for each rider separately

<u>Range</u>	<u>Varies by</u>
1.0-2.0	Rider, Benefit, Age

For groups which will require a single rate for all ages, a census will be applied to produce an aggregate age set of table rates.

ACTUARIAL JUSTIFICATION OF PREMIUM RATES
ReliaStar Life Insurance Company
Group Critical Illness Policy and Riders
Exhibit A - Group Ratemaking Methodology

2) Apply factors to adjust for any group specific changes to benefit or product features

The following factors will be applied:

Pre-ex Removal

A factor to change or eliminate the pre-ex period from the benefit requirements.

<u>Range</u>	<u>Varies by</u>
0.90-1.15	Insured Entity, Benefit

Waiting Period Adjustment

A factor to change or eliminate the waiting period before benefits are payable.

<u>Range</u>	<u>Varies by</u>
0.90-1.10	Benefit, Waiting Period

Age Specific Benefit Reduction

A factor to adjust for the application of a benefit reduction at a specific, older age.

<u>Range</u>	<u>Varies by</u>
0.80-1.00	Age, Benefit, Reduction Percent

Benefit Payout Plan Factor

A factor to adjust the rates for the three plan designs, payment for each condition, once & done, and module.

<u>Range</u>	<u>Varies by</u>
0.80-1.20	Benefit, Age, Plan Design

Underlying Rate Age Structure

A factor to increase rates if issue age rates are desired rather than attained age rates.

<u>Range</u>	<u>Varies by</u>
1.00-5.00	Age, Benefit

Benefit or Product Change Factor

A factor to adjust for any additional changes in benefits or product features (as allowed by the policy form language).

<u>Range</u>	<u>Varies by</u>
0.70-1.50	Age, Benefit

3) Apply factors to adjust for any group specific risk characteristics

The following factors may be applied:

Industry Adjustment

A factor to adjust for the risk associated with specific industries.

<u>Range</u>	<u>Varies by</u>
0.90-1.10	Benefit, Industry

Employer Paid Adjustment

A factor to account for the level of selection/anti-selection resulting from differing levels of employee/group sponsor participation in premiums.

<u>Range</u>	<u>Varies by</u>
0.80-1.40	Benefit, Employer/Group Sponsor Premium Payment Percentage

Group Size/Participation Adjustment

A factor to account for the level of selection/anti-selection expected due to different group sizes and participation.

<u>Range</u>	<u>Varies by</u>
0.60-1.50	Benefit, Group Size, Participation Percent

ACTUARIAL JUSTIFICATION OF PREMIUM RATES
ReliaStar Life Insurance Company
Group Critical Illness Policy and Riders
Exhibit A - Group Ratemaking Methodology

Tobacco Usage Factor

A factor to account for the increased risk of some benefits incurred by tobacco users.

<u>Range</u>	<u>Varies by</u>
0.85-2.00	Benefit, Tobacco Usage

Spousal Adjustment Factor

A factor to adjust for the increased health-related risk exhibited by non-screened spouses.

<u>Range</u>	<u>Varies by</u>
1.00-1.20	Insured Entity, Benefit

Experience Factor

A factor to adjust for the previous experience of the group.

<u>Range</u>	<u>Varies by</u>
0.70-1.30	Group Size, Benefit, Experience

Underwriting Effect Factor

A factor to account for the proportion of GI vs UW insureds.

<u>Range</u>	<u>Varies by</u>
0.80-1.20	GI/UW proportion, Benefit, Benefit Level

Gender Adjustment Factor

A factor to provide for deviations from the assumed gender mix.

<u>Range</u>	<u>Varies by</u>
1.00-1.50	Benefit, Age

Takeover Factor

A factor to provide for the potential additional risk associated with taking over an already existing group.

<u>Range</u>	<u>Varies by</u>
1.00-1.50	Group Size, Participation Percent

Portability Factor

A factor to allow for portability of benefits.

<u>Range</u>	<u>Varies by</u>
1.00-1.35	Benefit

Rate Guarantee Factor

A factor to provide for guarantee of rate levels

<u>Range</u>	<u>Varies by</u>
0.90-1.20	Number of years guaranteed

Case Underwriting Factor

A discretionary factor to be used by the underwriter to account for risk characteristics not otherwise accounted for.

<u>Range</u>	<u>Varies by</u>
0.85-1.15	Benefit

4) Divide by the commission and expense loads

The last step is to divide the result of the above by one minus the commission load and the expense load.

$$\text{Gross Premium} = \frac{\text{Adjusted Table Rate (result of above)}}{(1 - \text{commission load}\% - \text{expense load}\%)}$$

SERFF Tracking #:

MNNP-128271692

State Tracking #:

Company Tracking #:

RL-CI3-POL-12

State:

District of Columbia

Filing Company:

ReliaStar Life Insurance Company

TOI/Sub-TOI:

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

Product Name:

Compass Critical Illness

Project Name/Number:

/

Supporting Document Schedules

		Item Status:	Status Date:
Satisfied - Item:	Actuarial Justification		
Comments:			
Attachment(s):			
Full Actuarial Memo including Exhibit A- Group CI (generic) - FINAL 03-22-2012.pdf			

ACTUARIAL JUSTIFICATION OF PREMIUM RATES
ReliaStar Life Insurance Company
Group Critical Illness Policy and Riders

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 purposes.

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.

BENEFIT MODULES

Lump Sum Benefits for Covered Critical Illness

A certificate under this policy pays a lump sum benefit upon diagnosis of a Covered Critical Illness by a Covered Employee/Member. A Maximum Benefit Amount of [\$1,000 to \$500,000, available in increments of \$1,000] is available and the lump sum benefits are equal to a percentage of the Maximum Benefit Amount, as specified in the benefits description below. Covered Critical Illnesses are payable up to a Maximum Benefit Amount and once the Maximum Benefit Amount is reached by a covered employee/member, coverage for that individual will terminate, unless a Restoration of Benefits Rider or a Recurrence Rider has been included (see below for these riders). Once coverage has been terminated for an individual due to the Maximum Benefit Amount being reached, the remaining family members' coverage, if any, remains in force as long as premiums continue to be paid. There is no survival requirement to receive benefits. Benefits may reduce at age 70 based on group coverage offered.

Critical Illnesses are grouped into the following benefit modules:

- Critical Illness Module
- Cancer Module
- Module A
- Module B

The following Module combinations may be selected:

- Critical Illness Module Only
- Cancer Module Only
- Critical Illness Module and Cancer Module
- Critical Illness Module, Module A and/or Module B
- Cancer Module, Module A and/or Module B
- Critical Illness Module, Cancer Module, Module A and/or Module B

The following Riders may also be selected by the employer/group sponsor for offer to the employees/members. One or more may be selected by the employer/group sponsor:

- Spouse Critical Illness Rider (combination of modules must be same as for employee/member insured)
- Children's Critical Illness Rider (combination of modules must be same as for employee/member insured)
- Wellness Benefit Rider
- Restoration of Benefits Rider
- Recurrence Rider
- Return of Premium Rider

Critical Illness Module

<u>Covered Critical Illness</u>	<u>Pct of Maximum Benefit Amount</u>
Heart Attack	100%
Stroke	100%
End Stage Renal Failure	100%
Permanent Paralysis	100%
Coma	100%
Major Organ Failure Requiring Transplant	100%
Coronary Artery Disease Requiring Coronary Artery Bypass Surgery	25%

Cancer Module

<u>Covered Critical Illness</u>	<u>Pct of Maximum Benefit Amount</u>
Cancer	100%
Carcinoma In Situ	25%
Skin Cancer	10%

Module A

<u>Covered Critical Illness</u>	<u>Pct of Maximum Benefit Amount</u>
Deafness	100%
Blindness	100%
Benign Brain Tumor	100%
Occupational HIV	100%

Module B

<u>Covered Critical Illness</u>	<u>Pct of Maximum Benefit Amount</u>
Multiple Sclerosis	100%
ALS	100%
Parkinson's	100%
Alzheimer's	100%
Infectious Disease	100%

OPTIONAL RIDERS**Spouse Critical Illness Rider**

This rider pays a lump sum benefit upon diagnosis of a Covered Critical Illness by a Covered Spouse. The Spouse Maximum Benefit Amount of [\$5,000 to \$500,000, available in increments of \$1,000] is available and the lump sum benefits are equal to a percentage of the Spouse Maximum Benefit Amount, as specified in the benefits description above. Covered Critical Illnesses are payable up to the Maximum Benefit Amount of the Spouse and once the Maximum Benefit Amount is reached coverage for the Spouse will terminate. However, the remaining family members' coverage, if any, remains in force as long as premiums are paid. There is no survival requirement to receive benefits.

Children's Critical Illness Rider

This rider pays lump sum benefits upon diagnosis of a Covered Critical Illness by a Covered Child. The Child Maximum Benefit Amount of [\$5,000 to \$20,000, available in increments of \$1,000] is available and the lump sum benefits are equal to a percentage of the Child Maximum Benefit Amount, as specified in the benefits description above. Covered Critical Illnesses are payable up to a Maximum Benefit Amount of the Child and once the Maximum Benefit Amount is reached coverage for the Child will terminate. However, the remaining family members' coverage remains in force as long as premiums are paid. There is no survival requirement to receive benefits.

Covered Critical Illnesses include the illnesses covered by the Modules included in the certificate to which this rider is attached, plus the following Additional Childhood Diseases:

<u>Additional Childhood Diseases</u>	<u>Maximum Benefit Amount</u>
Congenital Birth Defects	100%
Down's Syndrome	100%
Cerebral Palsy	100%
Cystic Fibrosis	100%

This Rider's coverage ends on the Rider anniversary following the child's 26th birthday, unless he/she meets the definition of Handicapped Dependent Child.

Wellness Benefit Rider

This rider pays a Wellness Benefit of [\$5 to \$100, available in increments of \$5], for health screening tests. The full benefit is payable once per adult per calendar year while a 50% benefit is payable once per child per calendar year, up to a maximum of [\$100 to \$500] for all children in one calendar year. Once health screening tests are incurred in two consecutive years for an individual, a Consecutive Wellness Benefit of [\$10 to \$200, available in increments of \$5] will be paid in the second year and later for health screening tests for that person. Health screening tests include, but are not limited to:

- | | |
|---------------------------------|---|
| 1. Blood test for triglycerides | 10. Pap Smear |
| 2. Flexible sigmoidoscopy | 11. CEA (blood test for colon cancer) |
| 3. Bone marrow testing | 12. Serum cholesterol test for HDL and LDL levels |
| 4. Hemocult stool analysis | 13. Serum Protein Electrophoresis (myeloma) |
| 5. Breast ultrasound | 14. Chest x-ray |
| 6. Mammography | 15. Colonoscopy |
| 7. CA 15-3 (breast cancer) | 16. Stress test on bicycle or tread mill |
| 8. Fasting blood glucose test | 17. Thermography |
| 9. PSA (prostate cancer) | |

Restoration of Benefits Rider

Following payment of [50%-100%] of the Critical Illness Maximum Benefit Amount, this rider provides a [one time-three times] restoration of [10%-300%] of the Maximum Benefit Amount for all Critical Illnesses other than the one for which benefits have been paid. Benefits reduce [0%-50%] at age 70.

The above benefits will restored only if

1. a period of at least [6-12] months has passed in which the policyholder has had no occurrence of any covered critical illness; and
2. a period of at least [6-12] months has passed in which the policyholder has been free of the covered condition for which benefits were previously paid.

This rider does not restore benefits for the Cancer Module.

Recurrence Rider

Following payment of [50%-100%] of the Critical Illness Maximum Benefit Amount , this rider provides a [one time-three times] restoration of [10%-300%] of the Maximum Benefit Amount for the recurring Critical Illness only. Benefits reduce [0%-50%] at age 70.

The above benefits will be restored only if

1. a period of at least [6-12] months has passed in which the policyholder has had no occurrence of any covered critical illness; and
2. a period of at least [6-12] months has passed in which the policyholder has been free of the covered condition for which benefits were previously paid.

This rider does not restore benefits for the Cancer Module.

Return of Premium Upon Death Rider

This Rider provides a return of premium benefit upon death, providing no claims have been paid. The actual amount of premium that will be returned, if any, will be equal to a percentage of all premiums paid for the Certificate. The factor is shown below:

The percentage of premiums returned (in a. above) will depend on how long the policy had been inforce when the insured died according to the schedule below:

<u>Attained age on the date of death</u>	<u>ROP Factor</u>
60 or less	100%
61	90%
62 and over	80%

3. RENEWABILITY CLAUSE

This policy is conditionally renewable. Premiums may be changed on the policy anniversary date and any premium due date thereafter, subject to the required prior notification. The policy may be canceled at the discretion of the Company or the Policyholder, subject to prior notification.

4. MARKETING METHOD

This policy will be marketed to employer groups by general agents and brokers.

5. UNDERWRITING

This policy will be underwritten on a simplified issue basis based upon yes/no questions on the application, and also on a guaranteed issue basis subject to minimum participation requirements. Maximum purchase amount will vary by underwriting type.

6. PREMIUM RATES

This product will be available to eligible employees/members, spouses and children on an employer/group sponsor or employee/member paid basis. Premiums may vary either by tobacco usage or uni-tobacco, benefit amount chosen, and age of the employee/member. Rates can be calculated on an issue age or attained age basis. Composite rates will be determined by either a.) a census of employees/members by tobacco or uni-tobacco, age, and gender of the employee/member population, or b.) if a census is not available a composite rate will be available based on conservative distribution assumptions. Additional factors may be applied based on group characteristics and plan design.

Table premium rates are developed using claim costs based on Wakely Actuarial Services, Inc. Claim Cost Guidelines. The table premiums will be adjusted to reflect commissions, premium taxes, administrative expenses, and profit and contingency margins. The table premium load will be limited such that the loss ratio is floored at the minimum requirement.

The rating methodology and manual are attached in Exhibit A. The Company may adjust premiums to account for prior experience of a group or other group characteristics. Renewal rates will be based upon the experience of the group (or pooled groups when experience is not credible).

7. MINIMUM LOSS RATIO

The minimum loss ratio for this policy form is 50.0%

8. ANTICIPATED LOSS RATIO

The lifetime anticipated loss ratio for this policy form will vary by group. This lifetime anticipated loss ratio exceeds the minimum state requirements for this type of coverage.

9. 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,



Benjamin M. Cohen, F.S.A., M.A.A.A.
Consulting Actuary
Wakely Actuarial Services, Inc.
March 22nd, 2012

Attachments:

Exhibit A - Group Ratemaking Methodology

ACTUARIAL JUSTIFICATION OF PREMIUM RATES
ReliaStar Life Insurance Company
Group Critical Illness Policy and Riders
Exhibit A - Group Ratemaking Methodology

The rating methodology will be to 1) start with a table set of rates for each benefit module and rider being offered to the group, 2) apply factors to adjust for any group specific changes to benefit or product features, 3) apply factors to adjust for any group specific risk characteristics, and 4) divide by the commission and expense loads. The following more completely describes the process:

1) Start with a table set of rates for each benefit module and rider being offered to the group

Table rates vary by benefit, insured entity, and attained age as follows:

<u>Benefit</u>	<u>Rate definition</u>
Critical Illness Module	per thousand of Maximum Benefit Amount
Cancer Module	per thousand of Maximum Benefit Amount
Module A	per thousand of Maximum Benefit Amount
Module B	per thousand of Maximum Benefit Amount
Wellness Benefit Rider	per \$5 of Wellness Benefit
Restoration of Benefits Rider	per dollar of Module premium
Recurrence Rider	per dollar of Module premium
Return of Premium Rider	per dollar of all other premiums

Insured Entity
Employee/Member
Spouse
Children

Sample Table Rates per thousand of Maximum Benefit Amount

<u>Attained Age Band</u>	Attained Age	Critical Illness Module	Cancer Module	Module A	Module B	Wellness Benefit Rider*
0-19	0-19	2.20	0.20	0.20	0.45	1.50
20-24	20-24	2.35	0.30	0.20	0.45	1.50
25-29	25-29	2.40	0.40	0.20	0.45	1.50
30-34	30-34	2.50	0.60	0.20	0.45	1.50
35-39	35-39	2.90	0.90	0.30	0.50	1.50
40-44	40-44	3.60	1.60	0.30	0.60	1.50
45-49	45-49	5.00	2.70	0.40	0.90	1.50
50-54	50-54	7.20	4.40	0.40	1.20	1.50
55-59	55-59	9.50	6.80	0.50	2.70	1.50
60-64	60-64	13.60	10.10	0.70	7.00	1.50
65-69	65-69	22.20	14.10	0.80	12.80	1.50
70+	70+	34.90	18.70	1.40	12.80	1.50

*per \$5 of Wellness Benefit

Restoration, Recurrence and ROP Riders Sample Rate (per dollar of premium)
A factor applied to applicable premium for each rider separately

<u>Range</u>	<u>Varies by</u>
1.0-2.0	Rider, Benefit, Age

For groups which will require a single rate for all ages, a census will be applied to produce an aggregate age set of table rates.

ACTUARIAL JUSTIFICATION OF PREMIUM RATES
ReliaStar Life Insurance Company
Group Critical Illness Policy and Riders
Exhibit A - Group Ratemaking Methodology

2) Apply factors to adjust for any group specific changes to benefit or product features

The following factors will be applied:

Pre-ex Removal

A factor to change or eliminate the pre-ex period from the benefit requirements.

<u>Range</u>	<u>Varies by</u>
0.90-1.15	Insured Entity, Benefit

Waiting Period Adjustment

A factor to change or eliminate the waiting period before benefits are payable.

<u>Range</u>	<u>Varies by</u>
0.90-1.10	Benefit, Waiting Period

Age Specific Benefit Reduction

A factor to adjust for the application of a benefit reduction at a specific, older age.

<u>Range</u>	<u>Varies by</u>
0.80-1.00	Age, Benefit, Reduction Percent

Benefit Payout Plan Factor

A factor to adjust the rates for the three plan designs, payment for each condition, once & done, and module.

<u>Range</u>	<u>Varies by</u>
0.80-1.20	Benefit, Age, Plan Design

Underlying Rate Age Structure

A factor to increase rates if issue age rates are desired rather than attained age rates.

<u>Range</u>	<u>Varies by</u>
1.00-5.00	Age, Benefit

Benefit or Product Change Factor

A factor to adjust for any additional changes in benefits or product features (as allowed by the policy form language).

<u>Range</u>	<u>Varies by</u>
0.70-1.50	Age, Benefit

3) Apply factors to adjust for any group specific risk characteristics

The following factors may be applied:

Industry Adjustment

A factor to adjust for the risk associated with specific industries.

<u>Range</u>	<u>Varies by</u>
0.90-1.10	Benefit, Industry

Employer Paid Adjustment

A factor to account for the level of selection/anti-selection resulting from differing levels of employee/group sponsor participation in premiums.

<u>Range</u>	<u>Varies by</u>
0.80-1.40	Benefit, Employer/Group Sponsor Premium Payment Percentage

Group Size/Participation Adjustment

A factor to account for the level of selection/anti-selection expected due to different group sizes and participation.

<u>Range</u>	<u>Varies by</u>
0.60-1.50	Benefit, Group Size, Participation Percent

ACTUARIAL JUSTIFICATION OF PREMIUM RATES
ReliaStar Life Insurance Company
Group Critical Illness Policy and Riders
Exhibit A - Group Ratemaking Methodology

Tobacco Usage Factor

A factor to account for the increased risk of some benefits incurred by tobacco users.

<u>Range</u>	<u>Varies by</u>
0.85-2.00	Benefit, Tobacco Usage

Spousal Adjustment Factor

A factor to adjust for the increased health-related risk exhibited by non-screened spouses.

<u>Range</u>	<u>Varies by</u>
1.00-1.20	Insured Entity, Benefit

Experience Factor

A factor to adjust for the previous experience of the group.

<u>Range</u>	<u>Varies by</u>
0.70-1.30	Group Size, Benefit, Experience

Underwriting Effect Factor

A factor to account for the proportion of GI vs UW insureds.

<u>Range</u>	<u>Varies by</u>
0.80-1.20	GI/UW proportion, Benefit, Benefit Level

Gender Adjustment Factor

A factor to provide for deviations from the assumed gender mix.

<u>Range</u>	<u>Varies by</u>
1.00-1.50	Benefit, Age

Takeover Factor

A factor to provide for the potential additional risk associated with taking over an already existing group.

<u>Range</u>	<u>Varies by</u>
1.00-1.50	Group Size, Participation Percent

Portability Factor

A factor to allow for portability of benefits.

<u>Range</u>	<u>Varies by</u>
1.00-1.35	Benefit

Rate Guarantee Factor

A factor to provide for guarantee of rate levels

<u>Range</u>	<u>Varies by</u>
0.90-1.20	Number of years guaranteed

Case Underwriting Factor

A discretionary factor to be used by the underwriter to account for risk characteristics not otherwise accounted for.

<u>Range</u>	<u>Varies by</u>
0.85-1.15	Benefit

4) Divide by the commission and expense loads

The last step is to divide the result of the above by one minus the commission load and the expense load.

$$\text{Gross Premium} = \frac{\text{Adjusted Table Rate (result of above)}}{(1 - \text{commission load\%} - \text{expense load\%})}$$