

State: District of Columbia **Filing Company:** Nationwide Life Insurance Company
TOI/Sub-TOI: H14G Group Health - Hospital Indemnity/H14G.000 Health - Hospital Indemnity
Product Name: Fixed Indemnity Filing
Project Name/Number: /

Filing at a Glance

Company: Nationwide Life Insurance Company
Product Name: Fixed Indemnity Filing
State: District of Columbia
TOI: H14G Group Health - Hospital Indemnity
Sub-TOI: H14G.000 Health - Hospital Indemnity
Filing Type: Rate
Date Submitted: 08/19/2013
SERFF Tr Num: NWLC-129167360
SERFF Status: Pending Industry Response
State Tr Num:
State Status:
Co Tr Num: SRCP 2700-7
Implementation: 01/01/2014
Date Requested:
Author(s): Jonna Stough, LaToyia Brooks, Andrea Roberts
Reviewer(s): Darniece Shirley (primary), Alula Selassie, Donghan Xu
Disposition Date:
Disposition Status:
Implementation Date:
State Filing Description:

State: District of Columbia **Filing Company:** Nationwide Life Insurance Company
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General Information

Project Name:	Status of Filing in Domicile: Pending
Project Number:	Date Approved in Domicile:
Requested Filing Mode: Review & Approval	Domicile Status Comments: Concurrently, being filed in Nationwide's state of domicile Ohio.
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: 09/05/2013	
State Status Changed:	Deemer Date:
Created By: LaToyia Brooks	Submitted By: LaToyia Brooks
Corresponding Filing Tracking Number:	

Filing Description:

This is a general use filing for a fixed indemnity product. The forms are new and do not replace any forms previously approved forms by your department. These forms will be used with the previously approved hospital indemnity product approved on 06/30/2008.

The fixed indemnity benefits in these forms are not intended to replace any basic health or major medical plan. The medical benefits will be paid on a per day basis in accordance with the FAQ 7 that was issued in January pertaining to 45 CFR 146.145(c)(4).

The correlating form filing is being submitted under SERFF Tracking Number: NWLC-129167361.

Your prompt attention to this submission will be appreciated. If there are any questions, please do not hesitate to contact me at the numbers listed below.

Company and Contact

Filing Contact Information

Latoyia Brooks, Sr. Compliance Analyst	brookl10@nationwide.com
1 Nationwide Plaza	614-677-3871 [Phone]
Columbus, OH 43215	

Filing Company Information

Nationwide Life Insurance Company	CoCode: 66869	State of Domicile: Ohio
5525 Parkcenter Circle	Group Code: 140	Company Type:
Dublin, OH 43017	Group Name:	State ID Number:
(614) 854-3375 ext. [Phone]	FEIN Number: 31-4156830	

Filing Fees

Fee Required?	No
Retaliatory?	No
Fee Explanation:	

State: District of Columbia

Filing Company: Nationwide Life Insurance Company

TOI/Sub-TOI: H14G Group Health - Hospital Indemnity/H14G.000 Health - Hospital Indemnity

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Correspondence Summary

Objection Letters and Response Letters

Objection Letters

Status	Created By	Created On	Date Submitted
Pending Industry Response	Darniece Shirley	09/05/2013	09/05/2013

Response Letters

Responded By	Created On	Date Submitted
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State: District of Columbia **Filing Company:** Nationwide Life Insurance Company
TOI/Sub-TOI: H14G Group Health - Hospital Indemnity/H14G.000 Health - Hospital Indemnity
Product Name: Fixed Indemnity Filing
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Objection Letter

Objection Letter Status	Pending Industry Response
Objection Letter Date	09/05/2013
Submitted Date	09/05/2013
Respond By Date	09/26/2013

Dear Latoyia Brooks,

Introduction:

Thank you for your recent filing. Please see below for additional information requested to continue review of the rate filing.

Objection 1

Comments: The Rate Review Data Detail section of the filing is missing. The State understands this is a new filing and not required, however completing would be preferred. Please correct, via post-submission update.

Objection 2

- Actuarial Memorandum (Supporting Document)
- Actuarial Justification (Supporting Document)

Comments: Please provide the currently approved forms and rate filing SERFF Tracking Numbers approved in 2008. Were these the initial filings for this product?

Objection 3

- Cover Letter All Filings (Supporting Document)
- Certificate of Authority to File (Supporting Document)
- Actuarial Memorandum (Supporting Document)
- Actuarial Justification (Supporting Document)
- District of Columbia and Countrywide Loss Ratio Analysis (P&C) (Supporting Document)
- District of Columbia and Countrywide Experience for the Last 5 Years (P&C) (Supporting Document)
- Actuarial Memorandum and Certifications (Supporting Document)
- Unified Rate Review Template (Supporting Document)
- Rate Manual, [] (Rate)

Comments: Please confirm: Dispositions with respects to this filing are being made on behalf of residents of the District of Columbia only.

Objection 4

- Cover Letter All Filings (Supporting Document)
- Certificate of Authority to File (Supporting Document)
- Actuarial Memorandum (Supporting Document)
- Actuarial Justification (Supporting Document)
- District of Columbia and Countrywide Loss Ratio Analysis (P&C) (Supporting Document)
- District of Columbia and Countrywide Experience for the Last 5 Years (P&C) (Supporting Document)
- Actuarial Memorandum and Certifications (Supporting Document)
- Unified Rate Review Template (Supporting Document)
- Rate Manual, [] (Rate)

Comments: Please note, this rate filing is subject to conformity with the corresponding forms filing. This department reserves the right to withdraw the filing if not.

Conclusion:

State: District of Columbia **Filing Company:** Nationwide Life Insurance Company
TOI/Sub-TOI: H14G Group Health - Hospital Indemnity/H14G.000 Health - Hospital Indemnity
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Sincerely,
Darniece Shirley

SERFF Tracking #:

NWLC-129167360

State Tracking #:

Company Tracking #:

SRCP 2700-7

State: District of Columbia

Filing Company:

Nationwide Life Insurance Company

TOI/Sub-TOI: H14G Group Health - Hospital Indemnity/H14G.000 Health - Hospital Indemnity

Product Name: Fixed Indemnity Filing

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Rate/Rule Schedule

Item No.	Schedule Item Status	Document Name	Affected Form Numbers (Separated with commas)	Rate Action	Rate Action Information	Attachments
1		Rate Manual		New		Limited Benefit Insurance Rate Manual July 2013.pdf,

Nationwide Life Insurance Company
Limited Benefit Medical Insurance Policy SRCP 2500 (6/13)
Rating Methodology and Rate Tables

Step 1: Life Insurance and Accidental Death and Dismemberment Benefit

Life Insurance Benefit	Employee	EE + 1	EE + Family	Composite
\$5,000	\$0.88	\$0.88	\$0.88	\$0.88
\$10,000	\$1.75	\$1.75	\$1.75	\$1.75
\$15,000	\$2.63	\$2.63	\$2.63	\$2.63
\$20,000	\$3.51	\$3.51	\$3.51	\$3.51
\$25,000	\$4.39	\$4.39	\$4.39	\$4.39
\$30,000	\$5.26	\$5.26	\$5.26	\$5.26
\$35,000	\$6.14	\$6.14	\$6.14	\$6.14
\$40,000	\$7.02	\$7.02	\$7.02	\$7.02
\$45,000	\$7.90	\$7.90	\$7.90	\$7.90
\$50,000	\$8.77	\$8.77	\$8.77	\$8.77

Dependent Life Insurance Benefit	Employee	EE + 1	EE + Family	Composite
Spouse: \$2,500; Child: \$1,250; Infant: \$200	n/a	\$0.49	\$1.10	\$0.98
Spouse: \$5,000; Child: \$2,500; Infant: \$400	n/a	\$0.98	\$2.20	\$1.95
Spouse: \$7,500; Child: \$3,750; Infant: \$600	n/a	\$1.46	\$3.30	\$2.93
Spouse: \$10,000; Child: \$5,000; Infant: \$800	n/a	\$1.95	\$4.40	\$3.90
Spouse: \$12,500; Child: \$6,250; Infant: \$1,000	n/a	\$2.44	\$5.50	\$4.88
Spouse: \$15,000; Child: \$7,500; Infant: \$1,200	n/a	\$2.93	\$6.60	\$5.85
Spouse: \$17,500; Child: \$8,750; Infant: \$1,400	n/a	\$3.41	\$7.70	\$6.83
Spouse: \$20,000; Child: \$10,000; Infant: \$1,600	n/a	\$3.90	\$8.80	\$7.80
Spouse: \$22,500; Child: \$11,250; Infant: \$1,800	n/a	\$4.39	\$9.90	\$8.78
Spouse: \$25,000; Child: \$12,500; Infant: \$2,000	n/a	\$4.88	\$11.00	\$9.75

The Life Insurance Benefit amount reduces 35% of the original amount upon attainment of Age 65, and by an additional 35% each five year period thereafter. Rates are calculated proportional to the rates above.

Accidental Death and Dismemberment Benefit	Employee	EE + 1	EE + Family	Composite
\$5,000	\$0.10	\$0.10	\$0.10	\$0.10
\$10,000	\$0.19	\$0.19	\$0.19	\$0.19
\$15,000	\$0.29	\$0.29	\$0.29	\$0.29
\$20,000	\$0.39	\$0.39	\$0.39	\$0.39
\$25,000	\$0.49	\$0.49	\$0.49	\$0.49
\$30,000	\$0.58	\$0.58	\$0.58	\$0.58
\$35,000	\$0.68	\$0.68	\$0.68	\$0.68
\$40,000	\$0.78	\$0.78	\$0.78	\$0.78
\$45,000	\$0.88	\$0.88	\$0.88	\$0.88
\$50,000	\$0.97	\$0.97	\$0.97	\$0.97

The AD&D Benefit amount must match the Life Insurance Benefit amount. Dependents are not eligible for AD&D. The AD&D Benefit amount reduces 35% of the original amount upon attainment of Age 65, and by an additional 35% each five year period thereafter. Rates are calculated proportional to the rates above.

Nationwide Life Insurance Company
Limited Benefit Medical Insurance Policy SRCP 2500 (6/13)
Rating Methodology and Rate Tables

Step 2: Non-Occupational Weekly Disability Income Benefit

Benefit Amount	Employee	EE + 1	EE + Family	Composite
66% to a maximum of \$300 per week	\$7.05	\$7.05	\$7.05	\$7.05
\$100	\$2.68	\$2.68	\$2.68	\$2.68
\$125	\$3.35	\$3.35	\$3.35	\$3.35
\$150	\$4.02	\$4.02	\$4.02	\$4.02
\$175	\$4.69	\$4.69	\$4.69	\$4.69
\$200	\$5.36	\$5.36	\$5.36	\$5.36
\$225	\$6.03	\$6.03	\$6.03	\$6.03
\$250	\$6.70	\$6.70	\$6.70	\$6.70
\$275	\$7.37	\$7.37	\$7.37	\$7.37
\$300	\$8.04	\$8.04	\$8.04	\$8.04
\$325	\$8.71	\$8.71	\$8.71	\$8.71
\$350	\$9.38	\$9.38	\$9.38	\$9.38
\$375	\$10.05	\$10.05	\$10.05	\$10.05
\$400	\$10.72	\$10.72	\$10.72	\$10.72
\$425	\$11.39	\$11.39	\$11.39	\$11.39
\$450	\$12.06	\$12.06	\$12.06	\$12.06
\$475	\$12.73	\$12.73	\$12.73	\$12.73
\$500	\$13.40	\$13.40	\$13.40	\$13.40

Waiting Period Factor	Employee	EE + 1	EE + Family	Composite
7 days	1.0000	1.0000	1.0000	1.0000
14 days	0.8085	0.8085	0.8085	0.8085

Accident/Confinement Waiting Period Factor	Employee	EE + 1	EE + Family	Composite
0 days Accident	1.0911	1.0911	1.0911	1.0911
0 days Hospital Confinement	1.0039	1.0039	1.0039	1.0039

Maximum Benefit Period Factor	Employee	EE + 1	EE + Family	Composite
13 weeks	0.8095	0.8095	0.8095	0.8095
26 weeks	1.0000	1.0000	1.0000	1.0000

Step 3: Hospital Admission Benefit - Single Sum

\$100 - \$1500 in \$100 increments, \$1500 - \$3000 in \$500 increments per day

Benefit Amount	Employee	EE + 1	EE + Family	Composite
Per \$100	\$0.52	\$1.25	\$1.76	\$1.13

Step 4: Daily In-Hospital and Skilled Nursing Facility Indemnity Benefit

Daily In-Hospital Benefit Per \$100: \$100 - \$3000 in \$100 increments per day

Max #Days	Employee	EE + 1	EE + Family	Composite
30	\$1.00	\$2.20	\$2.70	\$1.85
60	\$1.01	\$2.22	\$2.73	\$1.87
90	\$1.02	\$2.24	\$2.75	\$1.89
120	\$1.03	\$2.27	\$2.78	\$1.91
365	\$1.04	\$2.29	\$2.81	\$1.92
500 Lifetime	\$1.05	\$2.31	\$2.84	\$1.94

Nationwide Life Insurance Company
Limited Benefit Medical Insurance Policy SRCP 2500 (6/13)
Rating Methodology and Rate Tables

Intensive Care Unit Per \$200: Double the Daily In-Hospital Benefit

Max #Days	Employee	EE + 1	EE + Family	Composite
30	\$0.54	\$1.19	\$1.46	\$1.00

Mental Illness Disorder Per \$50: 50% of the Daily In-Hospital Benefit

Max #Days	Employee	EE + 1	EE + Family	Composite
5	\$0.17	\$0.37	\$0.46	\$0.31
10	\$0.22	\$0.48	\$0.59	\$0.41
30	\$0.28	\$0.62	\$0.76	\$0.52
60	\$0.31	\$0.68	\$0.84	\$0.57

Substance Abuse Per \$50: 50% of the Daily In-Hospital Benefit

Max #Days	Employee	EE + 1	EE + Family	Composite
5	\$0.04	\$0.09	\$0.11	\$0.07
10	\$0.05	\$0.11	\$0.14	\$0.09
30	\$0.07	\$0.15	\$0.19	\$0.13
60	\$0.08	\$0.18	\$0.22	\$0.15

In-patient Skilled Nursing Facility Per \$50: 50% of the Daily In-Hospital Benefit

Max #Days	Employee	EE + 1	EE + Family	Composite
60	\$0.23	\$0.51	\$0.62	\$0.43

Step 5: Emergency Room Indemnity Benefit for Illness Per \$100

\$75 - \$500 in \$25 increments per day

Max #Days	Employee	EE + 1	EE + Family	Composite
2	\$0.89	\$1.96	\$2.40	\$1.65
3	\$0.95	\$2.09	\$2.57	\$1.76
4	\$1.00	\$2.20	\$2.70	\$1.85
5	\$1.07	\$2.35	\$2.89	\$1.98

Step 6: Doctor's Office Indemnity Benefit Per \$10

\$10 - \$150 in \$10 increments per day

Max #Days	Employee	EE + 1	EE + Family	Composite
2	\$0.61	\$1.34	\$1.65	\$1.13
3	\$0.81	\$1.78	\$2.19	\$1.50
4	\$1.01	\$2.22	\$2.73	\$1.87
5	\$1.15	\$2.53	\$3.11	\$2.13
6	\$1.30	\$2.86	\$3.51	\$2.41
7	\$1.40	\$3.08	\$3.78	\$2.59
8	\$1.49	\$3.28	\$4.02	\$2.76
9	\$1.55	\$3.41	\$4.19	\$2.87
10	\$1.58	\$3.48	\$4.27	\$2.92

Nationwide Life Insurance Company
Limited Benefit Medical Insurance Policy SRCP 2500 (6/13)
Rating Methodology and Rate Tables

Step 7: Preventive Care Indemnity Benefit Per \$10

\$50 - \$300 per day

Max #Days	Employee	EE + 1	EE + Family	Composite
1	\$0.35	\$0.77	\$0.95	\$0.65
2	\$0.54	\$1.19	\$1.46	\$1.00
3	\$0.63	\$1.39	\$1.70	\$1.17

Step 8: Outpatient Diagnostic X-Ray and Lab Indemnity Benefit

Diagnostic X-Ray Benefit Per \$100: \$50 - \$300 in \$25 increments per day

Max #Days	Employee	EE + 1	EE + Family	Composite
2	\$0.99	\$2.18	\$2.67	\$1.83
3	\$1.07	\$2.35	\$2.89	\$1.98
4	\$1.14	\$2.51	\$3.08	\$2.11
5	\$1.19	\$2.62	\$3.21	\$2.20
6	\$1.23	\$2.71	\$3.32	\$2.28

Lab Indemnity Benefit Per \$100: \$10 - \$100 in \$5 increments per day

Max #Days	Employee	EE + 1	EE + Family	Composite
2	\$3.31	\$7.28	\$8.94	\$6.12
3	\$4.34	\$9.55	\$11.72	\$8.03
4	\$5.15	\$11.33	\$13.91	\$9.53
5	\$5.77	\$12.69	\$15.58	\$10.67
6	\$6.27	\$13.79	\$16.93	\$11.60
7	\$6.65	\$14.63	\$17.96	\$12.30
8	\$7.05	\$15.51	\$19.04	\$13.04

Step 9: Accident Expense Benefit

Benefit Amount	Employee	EE + 1	EE + Family	Composite
\$300	\$0.81	\$1.78	\$2.19	\$1.50
\$500	\$1.25	\$2.75	\$3.38	\$2.31
\$1,000	\$2.20	\$4.84	\$5.94	\$4.07
\$2,500	\$4.50	\$9.90	\$12.15	\$8.33
\$3,000	\$5.10	\$11.22	\$13.77	\$9.44
\$5,000	\$8.00	\$17.60	\$21.60	\$14.80
\$7,500	\$11.25	\$24.75	\$30.38	\$20.81
\$10,000	\$14.00	\$30.80	\$37.80	\$25.90

Reimbursement Percent Factor	Employee	EE + 1	EE + Family	Composite
50%	0.4767	0.4767	0.4767	0.4767
80%	0.8214	0.8214	0.8214	0.8214
100%	1.0000	1.0000	1.0000	1.0000

Deductible per Accident Factor	Employee	EE + 1	EE + Family	Composite
\$0	1.0000	1.0000	1.0000	1.0000
\$50	0.9904	0.9904	0.9904	0.9904
\$100	0.9756	0.9756	0.9756	0.9756

Nationwide Life Insurance Company
Limited Benefit Medical Insurance Policy SRCP 2500 (6/13)
Rating Methodology and Rate Tables

Step 10: Dental Benefit

Dental Benefit for Type I Services Only	Employee	EE + 1	EE + Family	Composite
\$25 per examination	\$1.22	\$2.68	\$3.29	\$2.26
\$50 per examination	\$4.07	\$8.95	\$10.99	\$7.53

Dental Benefit: 80%/80%/50%/50%

Calendar Year Maximum	Employee	EE + 1	EE + Family	Composite
\$250	\$7.38	\$16.24	\$19.93	\$13.65
\$500	\$10.76	\$23.67	\$29.05	\$19.91
\$750	\$13.52	\$29.74	\$36.50	\$25.01
\$1,000	\$13.98	\$30.76	\$37.75	\$25.86
\$1,250	\$14.81	\$32.58	\$39.99	\$27.40
\$1,500	\$15.35	\$33.77	\$41.45	\$28.40
\$1,750	\$15.55	\$34.21	\$41.99	\$28.77
\$2,000	\$16.17	\$35.57	\$43.66	\$29.91

Deductible Factor	Employee	EE + 1	EE + Family	Composite
\$25	1.0370	1.0370	1.0370	1.0370
\$50	1.0000	1.0000	1.0000	1.0000
\$100	0.9265	0.9265	0.9265	0.9265

Percentage Payable for Type I Factor	Employee	EE + 1	EE + Family	Composite
80%	1.0000	1.0000	1.0000	1.0000
100% / \$250 Cal Year Max	1.1287	1.1287	1.1287	1.1287
100% / \$500 Cal Year Max	1.1203	1.1203	1.1203	1.1203
100% / \$750 Cal Year Max	1.1119	1.1119	1.1119	1.1119
100% / \$1000 Cal Year Max	1.1080	1.1080	1.1080	1.1080
100% / \$1250 Cal Year Max	1.1018	1.1018	1.1018	1.1018
100% / \$1500 Cal Year Max	1.0984	1.0984	1.0984	1.0984
100% / \$1750 Cal Year Max	1.0964	1.0964	1.0964	1.0964
100% / \$2000 Cal Year Max	1.0938	1.0938	1.0938	1.0938

Orthodontic Benefit Factor	Employee	EE + 1	EE + Family	Composite
No Orthodontic Benefit	0.9589	0.9589	0.9589	0.9589
50% of Non-Orthodontic Benefit Amount	1.0000	1.0000	1.0000	1.0000

Step 11: Vision Care Benefit

80% Benefit:

Benefit Amount	Employee	EE + 1	EE + Family	Composite
\$100	\$0.67	\$1.47	\$1.81	\$1.24
\$150	\$1.00	\$2.20	\$2.70	\$1.85
\$200	\$1.33	\$2.93	\$3.59	\$2.46
\$250	\$1.67	\$3.67	\$4.51	\$3.09
\$300	\$2.49	\$5.48	\$6.72	\$4.61

100% Benefit:

Benefit Amount	Employee	EE + 1	EE + Family	Composite
\$100	\$0.83	\$1.83	\$2.24	\$1.54
\$150	\$1.25	\$2.75	\$3.38	\$2.31
\$200	\$1.67	\$3.67	\$4.51	\$3.09
\$250	\$2.08	\$4.58	\$5.62	\$3.85
\$300	\$2.50	\$5.50	\$6.75	\$4.63

Nationwide Life Insurance Company
Limited Benefit Medical Insurance Policy SRCP 2500 (6/13)
Rating Methodology and Rate Tables

Step 12: Monthly Base Claims Cost

Sum Steps 1-11 to determine the base claims cost

Step 13: Employer Contribution Factor

Employer Contribution Percentage	Employee	EE + 1	EE + Family	Composite
50% or more	1.00	1.00	1.00	1.00
Less than 50%	1.25	1.25	1.25	1.25

Step 14: Monthly Gross Premium

Expenses and Profit	Employee	EE + 1	EE + Family	Composite
Commissions	17.5%	17.5%	17.5%	17.5%
Premium Tax and Fees	2.0%	2.0%	2.0%	2.0%
Third Party Premium Administration Fee	12.5%	12.5%	12.5%	12.5%
Third Party Claim Administration Fee	5.0%	5.0%	5.0%	5.0%
Insurance Carrier Expense	5.0%	5.0%	5.0%	5.0%
Profit and Contingency Margin	8.0%	8.0%	8.0%	8.0%
Target Loss Ratio	50.0%	50.0%	50.0%	50.0%

Step 15: Underwriter Adjustment

Sometimes there are characteristics about a group that will not be reflected in the above rates. The premium rates may be adjusted, on a prospective basis, to produce anticipated experience for the case approximating the anticipated loss ratio.

The most common adjustment will result when an underwriter has experience on a case under a similar group of policies or policies issued by another carrier.

Other characteristics that an underwriter may consider include:

- 1) Persistency with a prior carrier;
- 2) Renewal history (in the absence of experience);
- 3) Bundling with other products;
- 4) Employee turnover;
- 5) Producer experience.

Step 16: 4-Tier Rates

The 3 tier rates listed in the tables above are the most commonly offered. Should an employer request 4 tier rates, rates are adjusted by applying the factors below to the employee rate to produce 4 tier rates.

4 Tier Rates	Employee	EE + Spouse	EE+Child(ren)	EE + Family
Factor applied to Employee Rate	1.00	2.50	1.80	2.70

Nationwide Life Insurance Company
Limited Benefit Medical Insurance Policy SRCP 2500 (6/13)
Rating Worksheet & Example Calculation

	Benefit Selections	Employee	EE + 1	EE + Family	Composite	
Step 1: Life Insurance and AD&D						
a) Life Insurance	\$5,000	\$0.88	\$0.88	\$0.88	\$0.88	
b) Dependent Life Insurance	SP: \$2,500; CH: \$1,250; IN: \$200	n/a	\$0.49	\$1.10	\$0.98	
c) Accidental Death and Dismemberment	\$5,000	\$0.10	\$0.10	\$0.10	\$0.10	
Subtotal: a + b + c		\$0.98	\$0.98	\$0.98	\$0.98	
Step 2: Non-Occupational Weekly Disability Income Benefit						
a) Benefit Amount	66% to a max of \$300 per week	\$7.05	\$7.05	\$7.05	\$7.05	
b) Waiting Period	7 days	1.0000	1.0000	1.0000	1.0000	
c) Accident Waiting Period	0 days Accident	1.0911	1.0911	1.0911	1.0911	
d) Hospital Confinement Waiting Period	7 days	1.0000	1.0000	1.0000	1.0000	
e) Maximum Benefit Period	26 weeks	1.0000	1.0000	1.0000	1.0000	
Subtotal: a x b x c x d x e		\$7.69	\$7.69	\$7.69	\$7.69	
Step 3: Hospital Admission Benefit - Single Sum						
Benefit Amount	\$500	\$2.60	\$6.25	\$8.80	\$5.65	
Step 4: Daily In-Hospital and Skilled Nursing Facility Indemnity Benefit						
a) Daily In-Hospital	\$200	500 days LT	\$2.10	\$4.62	\$5.68	\$3.88
b) Intensive Care Unit	\$400	30 days	\$1.08	\$2.38	\$2.92	\$2.00
c) Mental Illness Disorder	\$100	10 days	\$0.44	\$0.96	\$1.18	\$0.82
d) Substance Abuse	\$100	30 days	\$0.14	\$0.30	\$0.38	\$0.26
e) In-patient Skilled Nursing Facility	\$100	60 days	\$0.46	\$1.02	\$1.24	\$0.86
Subtotal: a + b + c + d + e		\$4.22	\$9.28	\$11.40	\$7.82	
Step 5: Emergency Room Indemnity Benefit for Illness						
Benefit Amount	\$75	4 days	\$0.75	\$1.65	\$2.03	\$1.39
Step 6: Doctor's Office Indemnity Benefit						
Benefit Amount	\$50	6 days	\$6.50	\$14.30	\$17.55	\$12.05
Step 7: Preventive Care Indemnity Benefit						
Benefit Amount	\$50	3 days	\$3.15	\$6.95	\$8.50	\$5.85
Step 8: Outpatient Diagnostic X-Ray and Lab Indemnity Benefit						
a) Diagnostic X-Ray Benefit	\$50	6 days	\$0.62	\$1.36	\$1.66	\$1.14
b) Lab Indemnity Benefit	\$50	6 days	\$3.14	\$6.90	\$8.47	\$5.80
Subtotal: a + b		\$3.75	\$8.25	\$10.13	\$6.94	

Nationwide Life Insurance Company
Limited Benefit Medical Insurance Policy SRCP 2500 (6/13)
 Rating Worksheet & Example Calculation

Step 9: Accident Expense Benefit

a) Benefit Amount	\$300	\$0.81	\$1.78	\$2.19	\$1.50
b) Reimbursement Percent	100%	1.0000	1.0000	1.0000	1.0000
c) Deductible per Accident	\$50	0.9904	0.9904	0.9904	0.9904
Subtotal: a × b × c		\$0.80	\$1.76	\$2.17	\$1.49

Step 10: Dental Benefit

a) Dental Benefit for Type I Services Only		\$0.00	\$0.00	\$0.00	\$0.00
b) Dental Benefit: 80%/80%/50%/50%	\$1,000 Calendar Year Maximum	\$13.98	\$30.76	\$37.75	\$25.86
c) Deductible	\$25	1.0370	1.0370	1.0370	1.0370
d) Percentage Payable for Type I Factor	100% / \$1000 Cal Year Max	1.1080	1.1080	1.1080	1.1080
e) Orthodontic Benefit	50% of Non-Orthodontic Benefit	1.0000	1.0000	1.0000	1.0000
Subtotal: a or b × c × d × e		\$16.06	\$35.34	\$43.37	\$29.71

Step 11: Vision Care Benefit

Benefit Amount	\$100	80%	\$0.67	\$1.47	\$1.81	\$1.24
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Step 12: Monthly Base Claims Cost

Sum Steps 1-11 to determine the base claims cost	\$47.18	\$93.93	\$114.43	\$80.81
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Step 13: Employer Contribution Factor

Employer Contribution Percentage	Less than 50%	1.25	1.25	1.25	1.25
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Step 14: Monthly Gross Premium

a) Commissions	17.5%	17.5%	17.5%	17.5%
b) Premium Tax and Fees	2.0%	2.0%	2.0%	2.0%
c) Third Party Premium Administration Fee	12.5%	12.5%	12.5%	12.5%
d) Third Party Claim Administration Fee	5.0%	5.0%	5.0%	5.0%
e) Insurance Carrier Expense	5.0%	5.0%	5.0%	5.0%
f) Profit and Contingency Margin	8.0%	8.0%	8.0%	8.0%
g) Target Loss Ratio: 1 - (a + b + c + d + e + f)	50.0%	50.0%	50.0%	50.0%

Step 15: Underwriter Adjustment

Describe rationale in Notes section below	1.0000	1.0000	1.0000	1.0000
Final Gross Premium: Step 12 × Step 13 ÷ Step 14 × Step 15	\$117.94	\$234.82	\$286.06	\$202.02

Step 16: 4-Tier Rates (Optional)

If 4 Tier Rates are desired, Multiply the Employee rate from Step 15 by:

Employee	1.00	\$117.94
EE + Spouse	2.50	\$294.86
EE + Child(ren)	1.80	\$212.30
EE + Family	2.70	\$318.45

Underwriter Notes:

Nationwide Life Insurance Company
Additional Indemnity Benefits Rider SRCP 2700-7 (6/13)
Rating Methodology and Rate Tables

Step 1: Inpatient Miscellaneous Indemnity Benefit Per \$100

Daily In-Hospital Benefit: \$100 - \$2000 in \$100 increments per day
Mental Illness Disorder: 50% of the Daily In-Hospital Benefit
Substance Abuse: 50% of the Daily In-Hospital Benefit

Max #Days	Employee	EE + 1	EE + Family	Composite
5	\$1.94	\$4.27	\$5.24	\$3.59
10	\$1.97	\$4.33	\$5.32	\$3.64
30	\$2.04	\$4.49	\$5.51	\$3.77
60	\$2.08	\$4.58	\$5.62	\$3.85

Step 2: Anesthesia Indemnity

20% of the Base Surgical Indemnity

Surgical Procedure Benefit Amount	Employee	EE + 1	EE + Family	Composite
\$500	\$0.46	\$1.01	\$1.24	\$0.85
\$1,000	\$0.96	\$2.11	\$2.59	\$1.78
\$1,500	\$1.40	\$3.08	\$3.78	\$2.59
\$2,000	\$1.80	\$3.96	\$4.86	\$3.33
\$2,500	\$2.25	\$4.95	\$6.08	\$4.16
\$3,000	\$2.52	\$5.54	\$6.80	\$4.66
\$3,500	\$2.94	\$6.47	\$7.94	\$5.44
\$4,000	\$3.36	\$7.39	\$9.07	\$6.22
\$4,500	\$3.78	\$8.32	\$10.21	\$6.99
\$5,000	\$4.20	\$9.24	\$11.34	\$7.77

25% of the Base Surgical Indemnity

Surgical Procedure Benefit Amount	Employee	EE + 1	EE + Family	Composite
\$500	\$0.60	\$1.32	\$1.62	\$1.11
\$1,000	\$1.25	\$2.75	\$3.38	\$2.31
\$1,500	\$1.82	\$4.00	\$4.91	\$3.37
\$2,000	\$2.34	\$5.15	\$6.32	\$4.33
\$2,500	\$2.93	\$6.45	\$7.91	\$5.42
\$3,000	\$3.28	\$7.22	\$8.86	\$6.07
\$3,500	\$3.82	\$8.40	\$10.31	\$7.07
\$4,000	\$4.37	\$9.61	\$11.80	\$8.08
\$4,500	\$4.91	\$10.80	\$13.26	\$9.08
\$5,000	\$5.46	\$12.01	\$14.74	\$10.10

30% of the Base Surgical Indemnity

Surgical Procedure Benefit Amount	Employee	EE + 1	EE + Family	Composite
\$500	\$0.73	\$1.61	\$1.97	\$1.35
\$1,000	\$1.53	\$3.37	\$4.13	\$2.83
\$1,500	\$2.23	\$4.91	\$6.02	\$4.13
\$2,000	\$2.86	\$6.29	\$7.72	\$5.29
\$2,500	\$3.58	\$7.88	\$9.67	\$6.62
\$3,000	\$4.01	\$8.82	\$10.83	\$7.42
\$3,500	\$4.67	\$10.27	\$12.61	\$8.64
\$4,000	\$5.34	\$11.75	\$14.42	\$9.88
\$4,500	\$6.01	\$13.22	\$16.23	\$11.12
\$5,000	\$6.68	\$14.70	\$18.04	\$12.36

Nationwide Life Insurance Company
Additional Indemnity Benefits Rider SRCP 2700-7 (6/13)
Rating Methodology and Rate Tables

Step 3: Daily Outpatient Surgical Facility Indemnity Per \$100

\$250 - \$1000 in \$250 increments

Max #Days	Employee	EE + 1	EE + Family	Composite
1	\$0.34	\$0.75	\$0.92	\$0.63
2	\$0.43	\$0.95	\$1.16	\$0.80
3	\$0.48	\$1.06	\$1.30	\$0.89
4	\$0.50	\$1.10	\$1.35	\$0.93
5	\$0.51	\$1.12	\$1.38	\$0.94

Step 4: Outpatient Advanced Studies Indemnity Benefit Per \$100

\$100 - \$700 in \$100 increments

Max #Days	Employee	EE + 1	EE + Family	Composite
1	\$0.77	\$1.69	\$2.08	\$1.42
2	\$0.96	\$2.11	\$2.59	\$1.78
3	\$1.01	\$2.22	\$2.73	\$1.87

Step 5: Inpatient / Outpatient / Outpatient Minor Surgical Indemnity Benefit

OP 1 Day Limit

Benefit Amount (IP / OP / OP minor)	Employee	EE + 1	EE + Family	Composite
\$500 / \$250 / \$50	\$2.45	\$5.39	\$6.62	\$4.53
\$1,000 / \$500 / \$100	\$4.89	\$10.76	\$13.20	\$9.05
\$1,500 / \$750 / \$150	\$7.34	\$16.15	\$19.82	\$13.58
\$2,000 / \$1,000 / \$200	\$9.79	\$21.54	\$26.43	\$18.11
\$2,500 / \$1,250 / \$250	\$12.23	\$26.91	\$33.02	\$22.63
\$3,000 / \$1,500 / \$300	\$14.68	\$32.30	\$39.64	\$27.16
\$3,500 / \$1,750 / \$350	\$17.12	\$37.66	\$46.22	\$31.67
\$4,000 / \$2,000 / \$400	\$19.57	\$43.05	\$52.84	\$36.20
\$4,500 / \$2,250 / \$450	\$22.01	\$48.42	\$59.43	\$40.72
\$5,000 / \$2,500 / \$500	\$24.46	\$53.81	\$66.04	\$45.25

OP 2 Day Limit

Benefit Amount (IP / OP / OP minor)	Employee	EE + 1	EE + Family	Composite
\$500 / \$250 / \$50	\$2.78	\$6.12	\$7.51	\$5.14
\$1,000 / \$500 / \$100	\$5.56	\$12.23	\$15.01	\$10.29
\$1,500 / \$750 / \$150	\$8.34	\$18.35	\$22.52	\$15.43
\$2,000 / \$1,000 / \$200	\$11.12	\$24.46	\$30.02	\$20.57
\$2,500 / \$1,250 / \$250	\$13.90	\$30.58	\$37.53	\$25.72
\$3,000 / \$1,500 / \$300	\$16.68	\$36.70	\$45.04	\$30.86
\$3,500 / \$1,750 / \$350	\$19.46	\$42.81	\$52.54	\$36.00
\$4,000 / \$2,000 / \$400	\$22.24	\$48.93	\$60.05	\$41.14
\$4,500 / \$2,250 / \$450	\$25.02	\$55.04	\$67.55	\$46.29
\$5,000 / \$2,500 / \$500	\$27.80	\$61.16	\$75.06	\$51.43

Nationwide Life Insurance Company
Additional Indemnity Benefits Rider SRCP 2700-7 (6/13)
Rating Methodology and Rate Tables

OP 3 Day Limit

Benefit Amount (IP / OP / OP minor)	Employee	EE + 1	EE + Family	Composite
\$500 / \$250 / \$50	\$2.96	\$6.51	\$7.99	\$5.48
\$1,000 / \$500 / \$100	\$5.92	\$13.02	\$15.98	\$10.95
\$1,500 / \$750 / \$150	\$8.88	\$19.54	\$23.98	\$16.43
\$2,000 / \$1,000 / \$200	\$11.84	\$26.05	\$31.97	\$21.90
\$2,500 / \$1,250 / \$250	\$14.80	\$32.56	\$39.96	\$27.38
\$3,000 / \$1,500 / \$300	\$17.76	\$39.07	\$47.95	\$32.86
\$3,500 / \$1,750 / \$350	\$20.72	\$45.58	\$55.94	\$38.33
\$4,000 / \$2,000 / \$400	\$23.68	\$52.10	\$63.94	\$43.81
\$4,500 / \$2,250 / \$450	\$26.64	\$58.61	\$71.93	\$49.28
\$5,000 / \$2,500 / \$500	\$29.60	\$65.12	\$79.92	\$54.76

OP 4 Day Limit

Benefit Amount (IP / OP / OP minor)	Employee	EE + 1	EE + Family	Composite
\$500 / \$250 / \$50	\$3.04	\$6.69	\$8.21	\$5.62
\$1,000 / \$500 / \$100	\$6.06	\$13.33	\$16.36	\$11.21
\$1,500 / \$750 / \$150	\$9.10	\$20.02	\$24.57	\$16.84
\$2,000 / \$1,000 / \$200	\$12.14	\$26.71	\$32.78	\$22.46
\$2,500 / \$1,250 / \$250	\$15.17	\$33.37	\$40.96	\$28.06
\$3,000 / \$1,500 / \$300	\$18.20	\$40.04	\$49.14	\$33.67
\$3,500 / \$1,750 / \$350	\$21.23	\$46.71	\$57.32	\$39.28
\$4,000 / \$2,000 / \$400	\$24.27	\$53.39	\$65.53	\$44.90
\$4,500 / \$2,250 / \$450	\$27.29	\$60.04	\$73.68	\$50.49
\$5,000 / \$2,500 / \$500	\$30.33	\$66.73	\$81.89	\$56.11

OP 5 Day Limit

Benefit Amount (IP / OP / OP minor)	Employee	EE + 1	EE + Family	Composite
\$500 / \$250 / \$50	\$3.07	\$6.75	\$8.29	\$5.68
\$1,000 / \$500 / \$100	\$6.14	\$13.51	\$16.58	\$11.36
\$1,500 / \$750 / \$150	\$9.21	\$20.26	\$24.87	\$17.04
\$2,000 / \$1,000 / \$200	\$12.28	\$27.02	\$33.16	\$22.72
\$2,500 / \$1,250 / \$250	\$15.35	\$33.77	\$41.45	\$28.40
\$3,000 / \$1,500 / \$300	\$18.42	\$40.52	\$49.73	\$34.08
\$3,500 / \$1,750 / \$350	\$21.48	\$47.26	\$58.00	\$39.74
\$4,000 / \$2,000 / \$400	\$24.55	\$54.01	\$66.29	\$45.42
\$4,500 / \$2,250 / \$450	\$27.62	\$60.76	\$74.57	\$51.10
\$5,000 / \$2,500 / \$500	\$30.69	\$67.52	\$82.86	\$56.78

Nationwide Life Insurance Company
Additional Indemnity Benefits Rider SRCP 2700-7 (6/13)
Rating Methodology and Rate Tables

Step 6: Ambulance Indemnity Benefit Per \$100

Ground Ambulance: \$50 - \$2500 per day

Max #Days	Employee	EE + 1	EE + Family	Composite
1	\$0.15	\$0.33	\$0.41	\$0.28
2	\$0.21	\$0.46	\$0.57	\$0.39
3	\$0.24	\$0.53	\$0.65	\$0.44
4	\$0.26	\$0.57	\$0.70	\$0.48
5	\$0.27	\$0.59	\$0.73	\$0.50

Air Ambulance: \$50 - \$25,000 per day

Max #Days	Employee	EE + 1	EE + Family	Composite
1	\$0.15	\$0.33	\$0.41	\$0.28
2	\$0.18	\$0.40	\$0.49	\$0.33
3	\$0.20	\$0.44	\$0.54	\$0.37
4	\$0.22	\$0.48	\$0.59	\$0.41
5	\$0.23	\$0.51	\$0.62	\$0.43

Step 7: Monthly Base Claims Cost

Sum Steps 1-6 to determine the base claims cost

Step 8: Employer Contribution Factor

Employer Contribution Percentage	Employee	EE + 1	EE + Family	Composite
50% or more	1.00	1.00	1.00	1.00
Less than 50%	1.25	1.25	1.25	1.25

Step 9: Monthly Gross Premium

Expenses and Profit	Employee	EE + 1	EE + Family	Composite
Commissions	17.5%	17.5%	17.5%	17.5%
Premium Tax and Fees	2.0%	2.0%	2.0%	2.0%
Third Party Premium Administration Fee	12.5%	12.5%	12.5%	12.5%
Third Party Claim Administration Fee	5.0%	5.0%	5.0%	5.0%
Insurance Carrier Expense	5.0%	5.0%	5.0%	5.0%
Profit and Contingency Margin	8.0%	8.0%	8.0%	8.0%
Target Loss Ratio	50.0%	50.0%	50.0%	50.0%

Nationwide Life Insurance Company
Additional Indemnity Benefits Rider SRCP 2700-7 (6/13)
 Rating Methodology and Rate Tables

Step 10: Underwriter Adjustment

Sometimes there are characteristics about a group that will not be reflected in the above rates. The premium rates may be adjusted, on a prospective basis, to produce anticipated experience for the case approximating the anticipated loss ratio.

The most common adjustment will result when an underwriter has experience on a case under a similar group of policies or policies issued by another carrier.

Other characteristics that an underwriter may consider include:

- 1) Persistency with a prior carrier;
- 2) Renewal history (in the absence of experience);
- 3) Bundling with other products;
- 4) Employee turnover;
- 5) Producer experience.

Step 11: 4-Tier Rates

The 3 tier rates listed in the tables above are the most commonly offered. Should an employer request 4 tier rates, rates are adjusted by applying the factors below to the employee rate to produce 4 tier rates.

4 Tier Rates	Employee	EE + Spouse	EE+Child(ren)	EE + Family
Factor applied to Employee Rate	1.00	2.50	1.80	2.70

Nationwide Life Insurance Company
Additional Indemnity Benefits Rider SRCP 2700-7 (6/13)
 Rating Worksheet & Example Calculation

	Benefit Selections	Employee	EE + 1	EE + Family	Composite	
Step 1: Inpatient Miscellaneous Indemnity Benefit						
Benefit Amount	\$1,000	30 days	\$20.40	\$44.90	\$55.10	\$37.70
Step 2: Anesthesia Indemnity						
Benefit Amount	20% of the Base Surgical of \$1000		\$0.96	\$2.11	\$2.59	\$1.78
Step 3: Daily Outpatient Surgical Facility Indemnity						
Benefit Amount	\$500	3 days	\$2.40	\$5.30	\$6.50	\$4.45
Step 4: Outpatient Advanced Studies Indemnity Benefit						
Benefit Amount	\$200	2 days	\$1.92	\$4.22	\$5.18	\$3.56
Step 5: Inpatient / Outpatient / Outpatient Minor Surgical Indemnity Benefit						
Benefit Amount	\$1,000 / \$500 / \$100	OP 1 day	\$4.89	\$10.76	\$13.20	\$9.05
Step 6: Ambulance Indemnity Benefit						
a) Ground Ambulance	\$200	2 days	\$0.42	\$0.92	\$1.14	\$0.78
b) Air Ambulance	\$10,000	1 day	\$15.00	\$33.00	\$41.00	\$28.00
Subtotal			\$15.42	\$33.92	\$42.14	\$28.78
Step 7: Monthly Base Claims Cost						
Sum Steps 1-6 to determine the base claims cost			\$45.99	\$101.21	\$124.71	\$85.32
Step 8: Employer Contribution Factor						
Employer Contribution Percentage	Less than 50%		1.25	1.25	1.25	1.25
Step 9: Monthly Gross Premium						
a) Commissions			17.5%	17.5%	17.5%	17.5%
b) Premium Tax and Fees			2.0%	2.0%	2.0%	2.0%
c) Third Party Premium Administration Fee			12.5%	12.5%	12.5%	12.5%
d) Third Party Claim Administration Fee			5.0%	5.0%	5.0%	5.0%
e) Insurance Carrier Expense			5.0%	5.0%	5.0%	5.0%
f) Profit and Contingency Margin			8.0%	8.0%	8.0%	8.0%
g) Target Loss Ratio: 1 - (a + b + c + d + e + f)			50.0%	50.0%	50.0%	50.0%
Step 10: Underwriter Adjustment						
Describe rationale in Notes section below			1.0000	1.0000	1.0000	1.0000
Final Gross Premium: Step 7 × Step 8 ÷ Step 9 × Step 10			\$114.98	\$253.03	\$311.78	\$213.30
Step 11: 4-Tier Rates (Optional)						
If 4 Tier Rates are desired, Multiply the Employee rate from Step 15 by:						
Employee		1.00	\$114.98			
EE + Spouse		2.50	\$287.44			
EE + Child(ren)		1.80	\$206.96			
EE + Family		2.70	\$310.43			

Underwriter Notes:

State: District of Columbia

Filing Company:

Nationwide Life Insurance Company

TOI/Sub-TOI: H14G Group Health - Hospital Indemnity/H14G.000 Health - Hospital Indemnity

Product Name: Fixed Indemnity Filing

Project Name/Number: /

Supporting Document Schedules

Bypassed - Item:	Cover Letter All Filings
Bypass Reason:	Please see the Filing Description and Rate Materials for this information.
Attachment(s):	
Item Status:	
Status Date:	

Bypassed - Item:	Certificate of Authority to File
Bypass Reason:	This requirement is not applicable.
Attachment(s):	
Item Status:	
Status Date:	

Satisfied - Item:	Actuarial Memorandum
Comments:	
Attachment(s):	Limited Benefit Insurance Actuarial Memorandum July 2013.pdf
Item Status:	
Status Date:	

Bypassed - Item:	Actuarial Justification
Bypass Reason:	Please see the rate manual.
Attachment(s):	
Item Status:	
Status Date:	

Bypassed - Item:	District of Columbia and Countrywide Loss Ratio Analysis (P&C)
Bypass Reason:	This requirement is not applicable.
Attachment(s):	
Item Status:	
Status Date:	

Bypassed - Item:	District of Columbia and Countrywide Experience for the Last 5 Years (P&C)
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SERFF Tracking #:

NWLC-129167360

State Tracking #:

Company Tracking #:

SRCP 2700-7

State:

District of Columbia

Filing Company:

Nationwide Life Insurance Company

TOI/Sub-TOI:

H14G Group Health - Hospital Indemnity/H14G.000 Health - Hospital Indemnity

Product Name:

Fixed Indemnity Filing

Project Name/Number:

/

Bypass Reason:	This requirement is not applicable.
Attachment(s):	
Item Status:	
Status Date:	

Bypassed - Item:	Actuarial Memorandum and Certifications
Bypass Reason:	Please see Memorandum.
Attachment(s):	
Item Status:	
Status Date:	

Bypassed - Item:	Unified Rate Review Template
Bypass Reason:	Please see rates.
Attachment(s):	
Item Status:	
Status Date:	

Nationwide Life Insurance Company

Group Life and Limited Benefit Medical Insurance Policy SRCP 2500-SCHED (6/13)

And

Group Life and Limited Benefit Medical Certificate of Coverage SRCP 2500

And

Additional Indemnity Benefits Rider SRCP 2700-7 (6/13)

Actuarial Memorandum

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I. Scope and Purpose

This actuarial memorandum has been prepared for the purpose of complying with state regulations regarding the pricing of the referenced policy form. The purpose of this filing is to present the rates and supporting information related to a new product filing. This document should not be used for any other purpose.

II. Benefit Description

This is a group product that provides Life and Health insurance benefits for eligible employees. Benefits can either be employer paid (employer pays 50% or more of the employee only premium) or voluntary (employer pays less than 50% of the employee only premium).

Benefits	Issue Amounts
Employee Life Insurance	[\$5,000 - \$50,000 in \$5,000 increments]. Benefits reduce 35% of the original face amount upon attainment of age 65, and by an additional 35% each five year period thereafter.
Dependent Life Insurance	Spouse Life Insurance: 50% of Employee Issue Amount. Child from 10 days to 6 months: 4% of Employee Issue Amount. Child from 6 months to 19 years (26 years if full time student): 25% of Employee Issue Amount. Benefits reduce 35% of the original face amount upon attainment of age 65, and by an additional 35% each five year period thereafter.
Employee AD&D	Issue Amount same as Life. Benefits reduce 35% of the original face amount upon attainment of age 65, and by an additional 35% each five year period thereafter.
Non-occupational Weekly Disability Income Benefits	[66% of Basic Weekly Earnings to a Maximum Amount of \$300 per week rounded to the next \$1, or flat benefit of \$100 - \$500 in \$25 increments]. Elimination period of [7 or 14] days. [0 days if total disability is due to an accident.] [0 days if total disability due to a confinement to a Hospital.] Benefit duration of [13 or 26] weeks.
Hospital Admission Benefit	[\$100 - \$1500 in \$100 increments][\$1500 - \$3000 in \$500 increments]. Benefit is payable once during any period of confinement.
Daily In-Hospital Indemnity Benefit	<u>Daily In-Hospital Benefit:</u> [\$100 - \$3000 in \$100 increments]. [Lifetime maximum of 500 days except for Substance Abuse, Mental Illness Disorder, and In-patient Skilled Nursing Facility]. Annual maximum of [30, 60, 90, 120, 365] days of confinement per year except for Substance Abuse, Mental Illness Disorder, and In-patient Skilled Nursing Facility. <u>Intensive Care Unit:</u> Double the Daily In-Hospital Benefit above, up to a maximum of 30 days per Calendar Year. <u>Mental Illness Disorder:</u> 50% of the Daily In-Hospital Benefit above, up to a maximum of [5, 10, 30, 60] days per Calendar Year. Lifetime Maximum \$30,000. <u>Substance Abuse:</u> 50% of the Daily In-Hospital Benefit above, up

	to a maximum of [5, 10, 30, 60] days per Calendar Year. Lifetime Maximum \$30,000. <u>In-patient Skilled Nursing Facility:</u> 50% of the Daily In-Hospital Benefit above. Maximum Benefit per Covered Person per period of confinement: 60 days. The confinement is covered only if it follows a covered Hospital stay of at least 3 days.
Emergency Room Indemnity Benefit for Illness Only	Maximum per day: [\$75 - \$500 in \$25 increments], limited to 1 day per ER visit. Maximum days per Covered Person per Calendar Year: [2-5]. Visit must commence within [24, 48, 72] hours of when illness manifests itself.
Doctor's Office Indemnity Benefit	Per Covered Person per day: [\$10 - \$150 in \$10 increments]. Maximum days Calendar Year for all Covered Persons: [2 - 10] days. Routine exams, medical treatment, immunizations, and injections are not covered under this benefit.
Preventive Care Indemnity Benefit	Coverage for routine exams, medical treatment, and immunizations. Per Covered Person per day: [\$50 - \$300]. Maximum days per Calendar Year for all Covered Persons: [1 - 3].
Outpatient Diagnostic X-ray and Lab Indemnity Benefit	<u>Diagnostic X-Ray Benefit:</u> Per Covered Person per Testing day: [\$50 - \$300 in \$25 increments. Maximum testing days per Covered Person per Calendar Year: [2-6 days]. <u>Lab Indemnity Benefit:</u> Per Covered Person per day: [\$10 - \$100]. Maximum testing days per Covered Person per Calendar Year: [2-8 days]. Routine exams are not covered under this benefit.
Accident Expense Benefit	[50%, 80%, 100%] of charges incurred within 90 days of an Accidental Bodily Injury. Per Accidental Bodily Injury maximum: [\$300, \$500, \$1000, \$2500, \$3000, \$5000, \$7500, \$10,000]. Deductible per Accident [\$50 or \$100].
Dental Benefit	Depending on the type of service: scheduled amount or a percentage of covered service subject to a deductible of [\$25 - \$100] and a Calendar Year maximum of [\$250 - \$2000] Orthodontia may also be covered with a lifetime maximum of [\$125 - \$1000]
Vision Care Benefit	[100% or 80%] of covered expenses up to a Calendar Year maximum of [\$100 - \$300 in \$50 increments].
Inpatient Miscellaneous Indemnity	<u>Daily In-Hospital Benefit:</u> [\$100 to \$2000 in \$100 increments] per day, up to a calendar year maximum of [5, 10, 30, 60] days. <u>Mental Illness Disorder:</u> 50% of the Daily In-Hospital Benefit above will be paid, up to a maximum [5, 10, 30, 60] days per Calendar Year. <u>Substance Abuse:</u> 50% of the Daily In-Hospital Benefit above will be paid, up to a maximum of [5, 10, 30, 60] days per Calendar Year.
Anesthesia Indemnity	[20, 25, 30]% of the daily benefit amount paid for a covered surgical procedure.

Outpatient Surgical Facility Indemnity	Daily Outpatient Surgical Benefit [\$250, \$500, \$750, \$1000] paid per Covered Person to a maximum of [1-5] day(s) per Calendar year.
Outpatient Diagnostic Advanced Studies Indemnity	Per Covered Person per testing day [\$100 to \$700 in \$100 increments]. Maximum days per Calendar Year for all Covered Persons: [1-3] day(s).
Daily Inpatient, Daily Outpatient, or Daily Outpatient Minor Surgical Indemnity	<p><u>Daily Inpatient Surgical Indemnity Benefit:</u> [\$500-\$5000 in \$500 increments] per Covered Person to a maximum of 1 day per Calendar Year.</p> <p><u>Daily Outpatient Surgical Indemnity Benefit:</u> [\$250-\$2500] per Covered Person.</p> <p><u>Daily Outpatient Minor Surgical Indemnity Benefit:</u> [\$50-\$500] per Covered Person.</p> <p>(The amount payable for the Outpatient Benefit per Covered Person is to a maximum of [1-5] day(s) per Calendar Year).</p>
Ambulance Indemnity Benefit	<p><u>Ground:</u> [\$50 - \$2500] per day to a maximum of [1 – 5] day(s) per Calendar Year per [Covered Person or Family].</p> <p><u>Air:</u> [\$50 - \$25,000] per day to a maximum of [1 – 5] day(s) per Calendar Year per [Covered Person or Family].</p>

III. Renewability

Coverage under this form is optionally renewable.

IV. Applicability

Upon approval, the manual rates will apply to new business and existing business at renewal, to the extent that the groups are rated based on manual rates. Larger groups will be experience rated and rates will be a blend of manual and experience using standard experience rating techniques.

V. Morbidity

Net Claim Costs for these benefits were developed from a similar product, adjusted based on data received by our consultants, and data from proprietary sources.

VI. Mortality

The mortality rates used for the Life Insurance benefits were prepared by our consultants.

VII. Persistency

No persistency rate assumption was used.

VIII. Expenses

Average anticipated expenses and commissions nationwide are shown in the table below:

Commissions	17.5%
Premium Tax and Assessments	2.0%
Third Party Premium Administration Fee	12.5%

Third Party Claim Administration Fee	5.0%
Insurance Carrier Expenses	<u>5.0%</u>
Total Expenses	42.0%

Expense assumptions are expected to be reasonable in the aggregate to actual expenses incurred. Actual commissions will vary by case.

IX. Marketing Method

This policy will be marketed to employers through a Managing General Underwriter “MGU”, that works with external sales channels (agents, brokers, and consultants).

X. Underwriting

Policies are issued to employer groups as group policies and subject to standard group underwriting. No individual underwriting is done except for late enrollees. On occasion, an underwriter or actuary may need to adjust a manual rate to meet a special need of a policyholder. Upon doing so, rates will be developed that are actuarially consistent with those included in this filing and minimum loss ratio requirements will still be met.

XI. Issue Age Rating

Issue is based on employer and employee eligibility, including an actively at work requirement. There is no age limit.

XII. Area Factors

Premium rates do not vary based on area.

XIII. Average Annual Premium

Premium rates will vary according to the benefit level, family composition, and if premiums are paid for by the employee (voluntary) or if they are paid by the employer. The anticipated average annual premium per certificate is \$996.

XIV. Premium Mode Rules

Premiums are expected to be paid on a monthly basis by the employer either directly or through employee payroll contributions. If an employer prefers another mode, Nationwide may develop the requested alternative.

XV. Premium Classes

Premium rates may vary based on the basis of family composition. Rates will also vary based on the benefits chosen.

XVI. Claim Liability and Reserves

Incurred but not Reported Reserves (IBNR) are calculated using completion factor methodology by reviewing historical paid and incurred claim payment patterns. Completion factors are updated periodically based on the entire block’s loss development pattern. IBNR Reserves are calculated at a block level and held for groupings of similar risks.

Unearned Premium Reserves are held on a seriatim basis for premium that has been paid for the portion of the coverage period subsequent to the valuation date.

XVII. Active Life Reserves

Active Life Reserves are not used with this form.

XVIII. Trend Assumptions

Annual trend rates of 5% for dental and 2% for vision were used in the development of the rates. Trend rates are updated periodically based on company data.

XIX. Anticipated Loss Ratio

The policy is expected to generate a loss ratio of 50% at each duration.

XX. Distribution of Business

There is no anticipation of a specific distribution of business by benefits since these are chosen by an employer and in many instances are tailored for the specific employee population. Based on a review of a similar product, we anticipate the following distribution of business by payment type and coverage tier:

Payment Type

70% Voluntary

30% Employer Paid

Coverage Tier

85% Employee Only

10% Employee + 1

5% Employee + Family

XXI. Assumption or Acquisition

The policies included in this rate filing are not part of an assumption or acquisition.

XXII. Contingency and Risk Charge

This form includes a contingency and risk charge of 8% of premium.

XXIII. Policy Form Experience

N/A - This is a new policy form.

XXIV. Lifetime Loss Ratio

The policy is expected to generate a lifetime loss ratio of 50%.

XXV. History of Rate Adjustments

N/A - This is a new policy form.

XXVI. Number of Policyholders

This is a new policy form; there are no existing policyholders.

XXVII. Charging of Premiums

The premiums may be paid by the employer, the employee, or a combination of both.

XXVIII. Effect of Law Changes

N/A – This is a new policy form.

XXIX. Proposed Effective Date

The rates, rating factors and rating methods will be used upon state approval.

XXX. Coordination of Benefits

This form does not coordinate with other benefits and always pays as if primary regardless of other coverage.

XXXI. Data Reliance

In completing the pricing analysis and filing materials for these policy forms, I relied on data from internal sources as well as data received from our consultants. My review of the data indicates that there are no known errors or limitations in the data which would be material to the analysis conducted or the conclusions drawn from the analysis.

XXXII. Actuarial Certification

I hereby certify that I am a member of the Society of Actuaries and the American Academy of Actuaries and meet the Academy's qualification standards for issuing this statement of actuarial opinion.

I further certify that, to the best of my knowledge and judgment, the following are true with respect to this filing:

- 1) The entire rate filing is in compliance with the applicable laws of the state in which it is filed;
- 2) The entire rate filing complies with all applicable Actuarial Standards of Practice (including Actuarial Standards of Practice Number 8, Regulatory Filing for Rates and Financial Projections for Health Plans and Number 5, Recommendations and Interpretations Concerning Incurred Health Claim Liabilities, promulgated by the Actuarial Standards Board);
- 3) The expected loss ratio meets the minimum requirements of the state in which it is filed;
- 4) The benefits are reasonable in relation to the proposed premiums; and
- 5) The premiums are not excessive, inadequate, or unfairly discriminatory.

Donald Schley

Donald A. Schley, FSA, MAAA
Actuary
Nationwide Life Insurance Company

July 12, 2013