

Oregon Insurance Division

A contingent benefit on lapse shall also be triggered for policies with a fixed or limited premium paying period every time an insurer increases the premium rates to a level that results in a cumulative increase of the annual premium equal to or exceeding the percentage of the insured's initial annual premium set forth in this paragraph based on the insured's issue age, the policy or certificate lapses within 120 days of the due date of the premium so increased, and the ratio in subsection (e)(B) of this section is 40 percent or more. Unless otherwise required, policyholders shall be notified at least 30 days prior to the due date of the premium reflecting the rate increase. This provision is in addition to the contingent benefit provided by subsection (c) of this section, and when both are triggered, the benefit provided shall be at the option of the insured.

Triggers for a Substantial Premium Increase

<u>Issue Age</u>	<u>Percent Increase Over Initial Premium</u>
Under 65	50%
65-80	30%
Over 80	10%