

Department of Consumer & Business Services  
**Oregon Division of Financial Regulation – 5**

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**STANDARDS FOR FILING INDIVIDUAL LIFE RATE CHANGES  
 OR ADDING PAYMENT PLANS TO INDIVIDUAL TERM LIFE**

ORS 742.003(1)

This checklist must be submitted with your filing in compliance with OAR 836-010-0011(2). This list includes the national standards, relevant statutes, rules, and other documented positions to enforce ORS 731.016. The standards are summaries and review of the entire statute or rule may be necessary. Complete each item to confirm that diligent consideration has been given to each and is certified by the signature on the certificate of compliance form. “Not applicable” can be used only if the item does not apply to the coverage being filed. Any line left blank will cause this filing to be considered incomplete. Not including required information or policy provisions may result in disapproval of the filing. *(If submitting your filings electronically, bookmark the provision(s) in the form(s) that satisfy the requirement and identify the page/paragraph on this form.)*

**TOI (type of insurance):**     L02I Individual endowment life                       L04I Individual term life  
     L07I Individual whole life     L09I Individual flexible premium adjustable life

**Identify sub-type of insurance:** \_\_\_\_\_

**Approved Policy number for which rates are filed:** \_\_\_\_\_

Review requirements	Reference	Description of review standards requirements	Check answer	
<b>GENERAL REQUIREMENTS (FOR ALL FILINGS)</b>				
Submission package requirements	OAR 836-010-0011	Required forms are located on SERFF or on our website: <a href="http://dfr.oregon.gov/rates-forms/life/Pages/life.aspx">http://dfr.oregon.gov/rates-forms/life/Pages/life.aspx</a> . These must be submitted with your filing for it to be accepted as complete: 1. NAIC transmittal form. 2. Filing description on transmittal form (cover letter). 3. Third-party filer’s letter of authorization. 4. Certificate of compliance form signed by authorized person.	Yes	N/A
			<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>

Review requirements	Reference	Description of review standards requirements	Check answer	
Submission package requirements, continued	OAR 836-010-0011	5. Product standards for forms (this document). 6. Actuarial memorandum for individual policies identifying changes made to prior approved rates. 7. For mailed filings, submit two sets of the complete filing and one large self-addressed, stamped envelope in which the Division of Financial Regulation can return the approved forms.	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	
Review requested	ORS 742.003(1), OAR 836-010-0011(3)	The following are submitted in this filing for review: 1. Current rates filed are revising the current rates on the policy specifications pages that were filed as bracketed information. Current revised rates may be filed without refiling an updated specification pages. 2. The filing includes a complete table of the current revised rates with an explanation of the revisions. 3. If the original policy or prior rate revisions were not filed under these standards, a copy of the guaranteed rates are included that comply with these standards.	Yes <input type="checkbox"/> <input type="checkbox"/>  <input type="checkbox"/> <input type="checkbox"/>  <input type="checkbox"/> <input type="checkbox"/>	N/A <input type="checkbox"/> <input type="checkbox"/>  <input type="checkbox"/> <input type="checkbox"/>
Filing requirements	ORS 742.003(1)	Rate changes that include guaranteed rate changes (may include increasing face amount and/or adding age levels): 1. The filing includes revised specification page(s) completed with hypothetical data that is realistic and consistent with the policy and revised guaranteed rates. 2. The filing includes revised specification page(s) with a revision date added to the form number completed with hypothetical data that is realistic and consistent with the policy and premiums filed. 3. Policy guaranteed premiums are disclosed for each benefit, and policy fees and charges are disclosed separately on the schedule pages. ORS 743.156 4. The policy contains a complete table of guaranteed maximum premiums. The premiums are annual premiums or the premiums for the mode elected by the policy owner. 5. Initial current premium rates, charges, and fees are disclosed with their maximums. Currents are not disclosed in the policy beyond the initial period and are filed according to the life illustration requirements when disclosed in marketing of the policy. ORS 743.153, 743.156, and OAR 836-050-0500 to 0600 6. The policy discloses the amount and period of time for which the initial premium is guaranteed	Yes <input type="checkbox"/> <input type="checkbox"/>	N/A <input type="checkbox"/> <input type="checkbox"/>

Review requirements	Reference	Description of review standards requirements	Check answer
Filing requirements, continued	ORS 742.003(1)	<p>Adding new payment plan to prior approved policy:</p> <ol style="list-style-type: none"> <li>1. Each optional payment plan has a separate specifications or data page included in the filing with a distinguishing form number for that plan. ORS 742.003</li> <li>2. The filing includes specification page(s) for each plan completed with hypothetical data that is realistic and consistent with the policy and premiums filed.</li> <li>3. Policy guaranteed premiums are disclosed for each benefit, and policy fees and charges are disclosed separately on the schedule pages. ORS 743.156</li> <li>4. The policy contains a complete table of guaranteed maximum premiums. The premiums are annual premiums or the premiums for the mode elected by the policy owner.</li> <li>5. Initial current premium rates, charges, and fees are disclosed with their maximums. Currents are not disclosed in the policy beyond the initial period and are filed according to the life illustration requirements when disclosed in marketing of the policy. ORS 743.153, 743.156, and OAR 836-050-0500 to 0600</li> <li>6. The policy discloses the amount and period of time for which the initial premium is guaranteed</li> </ol>	<p>Yes <input type="checkbox"/> N/A <input type="checkbox"/></p>
Application	Form 440-2442,	<ol style="list-style-type: none"> <li>1. The rate change does not include a change in medical questions on the application.</li> <li>2. Changes in application questions assumed in a rate change, requires the submission of the application. The extent of medical questions is consistent with the mortality assumptions used in pricing the policy. Only one set of medical underwriting questions is filed for any one individual policy form or plan.</li> </ol>	<p>Yes <input type="checkbox"/> N/A <input type="checkbox"/></p> <p><input type="checkbox"/> <input type="checkbox"/></p>
Credibility	ORS 731.260	The actuarial memorandum and demonstration are consistent with the approved policy, and demonstrations illustrate the John Doe form.	Confirm <input type="checkbox"/>
Discrimination	ORS 746.015, OAR 836-080-0050, OAR 836-080-0055	A statement is included in the filing that no assumptions or provisions unfairly discriminate in availability, rates, benefits, or any other way for prospective insureds of the same class, equal expectation of life, and degree of risk or hazard. <i>(For example, sources of funds going into the policy and funds being withdrawn are treated alike.)</i>	Confirm <input type="checkbox"/>

## REQUIREMENTS FOR RATES

Actuarial filing requirements for demonstrating compliance: ***Information requested under this section is necessary to evaluate the filing for compliance. ORS 731.296***

Review requirements	Reference	Description of review standards requirements	Check answer	
Actuarial memorandum (Ratemaking generally)	ORS 731.296	A signed actuarial memorandum by a member of the American Academy of Actuaries that includes the following information:	Yes	
		<ol style="list-style-type: none"> <li>1. A description of the policy and policy provisions that develop nonforfeiture values including an explanation of how the policy values are at least equal to the minimum nonforfeiture values (see nonforfeiture values).</li> <li>2. The formulas, assumptions, and methodology used.</li> <li>3. The range of issue ages.</li> <li>4. Sample calculations for representative issue ages, including issue age 35, if within the issue-age range.</li> <li>5. Guaranteed periods for current premiums, if applicable.</li> <li>6. A description of any innovative or unique features.</li> <li>7. Rate changes are based on mortality experience. Only current rate changes can be filed for a previously approved policy. ORS 743.018 and 743.218(1) and (2).</li> <li>8. The actuarial memorandum and demonstration are consistent with the policy, and demonstrations illustrate the John Doe form.</li> <li>9. Certification by a member of the American Academy of Actuaries that filing complies with the Standard Nonforfeiture Law for life insurance.</li> </ol>	<input type="checkbox"/>	
	If changes are for an indeterminate premium policy, it includes a certification that the same initial rating classes will apply when premiums are adjusted under the premium change provision.	Yes	N/A	
	<input type="checkbox"/>	<input type="checkbox"/>		
	ORS 746.015, OAR 836-051-0110	Use of blended tables does not include the use of a single-sex table as a blended table unless it is shown that at least 90 percent would be of that sex. The blend of the table is identified and tables are used consistently for both premiums and settlement options.	Yes	N/A
	<input type="checkbox"/>	<input type="checkbox"/>		
	ORS 733.030, OAR 836-031-0765(2)(c)	Filing identifies how reserving assumptions (including specific company experience) take into account any expected adverse mortality and lapses that are reflected in the pricing. Specific justification is included when annually renewable term gross premiums exceed 200 percent of the ultimate 1980 CSO mortality table or 300 percent of the 2001 CSO mortality table for the appropriate gender-and-tobacco-use class multiplied by 1,000 lives.	Yes	N/A
	<input type="checkbox"/>	<input type="checkbox"/>		
	OAR 836-031-0750 to 0775	A demonstration of the basic reserve calculations as required by OAR 836-031-0750 to 0775 (Referred to as XXX).	Yes	
	<input type="checkbox"/>			

Review requirements	Reference	Description of review standards requirements	Check answer
Actuarial memorandum (Ratemaking generally), continued	OAR 836-031-0765	If using "X" factors, filing includes: <ol style="list-style-type: none"> <li>1. A schedule of the "X" factors used for a representative set of pricing cells (at least four), including indications of change and the reason behind the change.</li> <li>2. An explanation of the basis for "X" factor percentages including why they were chosen, the influence of underwriting and selection, and a detailed summary of the reasons for choosing the factors. Include the mortality experience supporting the assumption.</li> <li>3. An explanation and justification of changes to assumptions for reserving and pricing that take place at the end of the initial segment, including mortality and lapse assumptions. If the initial segment is not the same as the initial premium-guaranteed period, explain. Explain how changes are not unfairly discriminatory.</li> <li>4. An illustration of the use of an "X" factor mortality assumption in a reserve calculation example, preferably in table format. All policy durations should be shown.</li> </ol>	Yes <input type="checkbox"/> Yes <input type="checkbox"/> Yes <input type="checkbox"/> Yes <input type="checkbox"/>
	ORS 742.023, ORS 743.153	Any evidence of insurability or re-underwriting after the policy is issued applies only to increased benefits or added risk, e.g., reinstatement.	Confirm <input type="checkbox"/>
Discrimination	ORS 746.015, ORS 742.005(3), (4), OAR 836-080 0050 & 0055	Filing includes a statement that no assumptions or provisions unfairly discriminate in availability, rates, benefits, or any other way for individuals of the same class, equal expectation of life, and degree of risk or hazard. <i>(For example, sources of funds going into the policy and funds being withdrawn are treated alike.)</i>	Yes <input type="checkbox"/> N/A <input type="checkbox"/>
Nonforfeiture values	ORS 743.204 to 222	If the policy produces nonforfeiture values, a demonstration that the cash-surrender values and nonforfeiture benefits of the policy comply with the nonforfeiture requirements of the Standard Nonforfeiture Law for Life Insurance is included. Provide the demonstration according to the requirements stated on the whole life product standards, Form 440-2454w. The demonstration shall be presented in the format prescribed in Appendix B to these standards.	Yes <input type="checkbox"/> N/A <input type="checkbox"/>
Rate schedule	ORS 743.018	A complete table of current and guaranteed individual life rates is filed for each sex and all ages. Filed rates include policy fees and premium payment fees that are reasonable to the expenses being covered.	Yes <input type="checkbox"/> N/A <input type="checkbox"/>
	ORS 743.018, ORS 743.218(1),(2)	Subsequent rate changes are based on mortality experience. Only current rate changes can be filed for a previously approved policy. (Guaranteed rate change requires refilling the policy or policy specification page with a revision date added to the policy form number.	Yes <input type="checkbox"/> N/A <input type="checkbox"/>

Review requirements	Reference	Description of review standards requirements	Check answer	
Rate schedule, continued	ORS 746.005(7), ORS 744.039	Any reduction in premium rates is not more than corresponding reductions in administration and issuance expenses reasonably attributable to the policy. When filing reduced rates, an actuarial demonstration shows the relationship between the savings and the reduction in rates. A reduction in savings does not include reduction in commissions when policy is sold by a producer.	Yes <input type="checkbox"/>	N/A <input type="checkbox"/>
Variable benefits	ORS 742.003(1)	A change or modification to any item that may affect the derivation of and compliance of policy values with any required minimum nonforfeiture values are subject to prior approval and refiling of the applicable demonstration.	Yes <input type="checkbox"/>	N/A <input type="checkbox"/>