



# South Carolina Department of Insurance

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## BULLETIN NUMBER 2015-03

TO: Insurers Writing Credit Accident and Health Insurance in South Carolina in Conjunction with Loans subject to 1966 S.C. Act No. 988, Consumer Finance Law

FROM: Raymond G. Farmer  
Director of Insurance 

SUBJECT: Notice of Tentative Accident and Health Insurance Rates for such Insurance and Opportunity to Request a Hearing

DATE: July 31, 2015

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### I. NOTICE OF TENTATIVE CREDIT ACCIDENT AND HEALTH INSURANCE RATES

Regulation 69-11.1, Regulation of Credit Insurance, requires the South Carolina Department of Insurance (Department) to promulgate tentative rates for credit accident and health insurance by August 1st of each year. The tentative rates are those the Department believes may reasonably be expected to produce a loss ratio of not less than fifty percent (50%) in the following calendar year. This Bulletin constitutes official notice of the tentative rates for 2016.

The Department has reviewed the last several years' experience for credit accident and health insurance written in conjunction with loans subject to the Consumer Finance Law. The aggregate loss ratio for credit accident and health insurance at the prima facie rates are: thirty-six and eight tenths percent (36.8%) in 2014, forty-one and six tenths percent (41.6%) in 2013, and forty-six and six tenths percent (46.6%) in 2012. With rates reduced 10% for calendar year 2015, the Department proposes no additional changes to the 3-day Retro Accident and Health Insurance rates in 2016. The proposed tentative rates for 3-day Retro Accident and Health Insurance in 2016 are \$0.28 per year per \$5.00 unit of monthly indemnity.

### II. OPPORTUNITY FOR A HEARING

Regulation 69-11.1.C.(4) provides that "every insurer which feels aggrieved by any of the rates so promulgated shall have fifteen days to request a public hearing with respect to such rate or rates." Accordingly, all requests for a hearing must be submitted to the Department in writing on or before August 17, 2015. Please direct any requests for a hearing to the attention of:

Jeffrey Jacobs, Chief Legal Counsel  
South Carolina Department of Insurance  
Post Office Box 100105  
Columbia, South Carolina 29202-3105

All requests must include documentation supporting your position that the tentative rates for credit accident and health insurance need to be changed. After all such hearings have been held, the final rates or an affirmation of the tentative rates shall be sent to all companies before October 1, 2015.

### **III. QUESTIONS**

Any questions or concerns about this Bulletin should be submitted in writing to the attention of:

Andrew Dvorine, ASA, MAAA  
Life Actuary  
South Carolina Department of Insurance  
145 King Street, Suite 228  
Charleston, South Carolina 29401  
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