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## MEMORANDUM

**To:** All Interested Parties  
**From:** Pete Weber, ASA, MAAA  
**Re:** Credit Insurance Rates Effective 1/1/2017  
**Date:** August 22, 2016

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According to Ohio Administrative Code Rule 3901-1-14, the Ohio Department of Insurance, (“Department”) is required to review credit life and credit accident and health (“credit disability”) rates every three years. Further, the rule requires any rate changes be effective January first of every year after the rule’s initial adoption.

The Department has concluded this year’s review. After reviewing Ohio experience, the Department is requiring that the prima facie rates for credit life be decreased 7.0% and the prima facie rates for credit disability be decreased 15.7% for the coming year.

Effective January 1, 2017, the credit life *prima facie* rates will decrease making the new monthly outstanding balance rate \$0.627 per \$1000 per month. The single premium rate for 12 months will be \$0.41 per \$100.

Effective January 1, 2017, the credit disability *prima facie* rates will also decrease making the new credit disability rate for 12 months \$1.32 per \$100 for the 14-day retroactive plan.

A copy of the rates by term and plan is attached.

Companies utilizing prima facie rates do not need to refile rates.

Parties with additional questions may contact Pete Weber at (614) 644-3311 or [Peter.Weber@insurance.ohio.gov](mailto:Peter.Weber@insurance.ohio.gov).

**OHIO DEPARTMENT OF INSURANCE**

**EFFECTIVE JANUARY 1, 2017**

**Credit Disability Premium Rates per \$100  
Plan**

<b>Term in Months</b>	<b>14-Day Retroactive</b>	<b>14-Day Elimination</b>	<b>30-Day Retroactive</b>	<b>30-Day Elimination</b>	<b>Term in Months</b>
6	\$1.03	\$0.83	\$0.71	\$0.40	6
12	\$1.32	\$1.15	\$0.99	\$0.70	12
18	\$1.52	\$1.34	\$1.12	\$0.89	18
24	\$1.66	\$1.48	\$1.21	\$0.99	24
30	\$1.79	\$1.62	\$1.28	\$1.07	30
36	\$1.90	\$1.73	\$1.36	\$1.15	36
42	\$2.01	\$1.83	\$1.41	\$1.21	42
48	\$2.09	\$1.93	\$1.48	\$1.25	48
54	\$2.19	\$2.01	\$1.53	\$1.31	54
60	\$2.27	\$2.09	\$1.58	\$1.36	60
66	\$2.36	\$2.18	\$1.62	\$1.40	66
72	\$2.44	\$2.25	\$1.66	\$1.45	72
78	\$2.51	\$2.34	\$1.71	\$1.48	78
84	\$2.58	\$2.39	\$1.75	\$1.53	84
90	\$2.66	\$2.47	\$1.80	\$1.58	90
96	\$2.72	\$2.55	\$1.83	\$1.60	96
102	\$2.78	\$2.60	\$1.86	\$1.64	102
108	\$2.85	\$2.67	\$1.90	\$1.69	108
114	\$2.87	\$2.73	\$1.94	\$1.71	114
120	\$2.98	\$2.78	\$1.97	\$1.75	120

**Credit Life Premium Rates**

The monthly outstanding balance rate is \$0.627 per \$1000 per month. The joint life rate is 175% of the single life rate or \$1.097 per 1000 per month. Single premium rates for gross decreasing coverage are obtained by the formula given in rule 3901-1-14 (C)(1) and are shown below for terms through 60 months. Net coverage using an appropriate formula and the above outstanding balance rate is required for terms exceeding 60 months per Rule 3901-1-14 (C)(1)(j)(ii).

<b>Term in Months</b>	<b>Single</b>	<b>Joint</b>	<b>Term in Months</b>
6	\$0.22	\$0.38	6
12	\$0.41	\$0.71	12
18	\$0.60	\$1.04	18
24	\$0.78	\$1.37	24
30	\$0.97	\$1.70	30
36	\$1.16	\$2.03	36
42	\$1.35	\$2.36	42
48	\$1.54	\$2.69	48
54	\$1.72	\$3.02	54
60	\$1.91	\$3.35	60