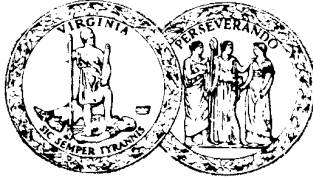


COMMONWEALTH OF VIRGINIA



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STATE CORPORATION COMMISSION
BUREAU OF INSURANCE
August 31, 1992

IMMEDIATE ATTENTION REQUIRED

Administrative Letter
1992-18

TO: All Insurers Licensed to Market Credit Life Insurance and Credit Accident and Sickness in Virginia

RE: New Chapter 37.1 of Title 38.2, Code of Virginia

The 1992 Virginia General Assembly amended Title 38.2 of the Code of Virginia by adding Chapter 37.1, which pertains to credit life insurance and credit accident and sickness insurance.

Section 38.2-3727.A. requires the State Corporation Commission (Commission) to publish, no later than September 1, 1992, seven (7), fourteen (14) and thirty (30) day retroactive and nonretroactive credit accident and sickness insurance rates which will reasonably be expected to produce a 50% loss ratio, as required by Section 38.2-3725.E.

Attached to this Administrative Letter are the credit accident and sickness insurance prima facie rates that the Commission is required to provide pursuant to Section 38.2-3725.E. These rates shall be effective in Virginia on and after January 1, 1993.

Section 38.2-3730.A. requires each insurer doing insurance business in this Commonwealth to file annually with the Commission and with the National Association of Insurance Commissioners a report of credit life insurance and credit accident and sickness insurance written on a calendar year basis. In completing the CREDIT LIFE AND CREDIT ACCIDENT AND HEALTH EXPERIENCE EXHIBIT for Direct Business in the Commonwealth of Virginia in 1993, and in all future years, the credit life and credit accident and sickness insurance premium rates used to complete the lines labeled "Earned premium at prima facie rates" should be based on the prima facie rates as set forth in this administrative letter and Section 38.2-3726. These rates should be utilized regardless of any future adjustment of the prima facie rates by the Commission until companies are instructed otherwise by the Commission.

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August 31, 1992
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Any questions pertaining to the information contained herein should be addressed to:

Robert F. Grissom
Senior Policy Examiner
Forms and Rates Section
Life and Health Division
Commonwealth of Virginia
State Corporation Commission
P. O. Box 1157
Richmond, Virginia 23209

Sincerely yours,



Steven T. Foster
Commissioner of Insurance

STF/ds
Attachment

Benefit Period (Months)	7 Day Coverages		14 Day Coverages		30 Day Coverages	
	Retro	Elim	Retro	Elim	Retro	Elim
1	1.80	1.37	1.67	1.04	1.26	0.57
2	2.17	1.74	1.97	1.34	1.44	0.75
3	2.43	2.00	2.19	1.56	1.58	0.89
4	2.62	2.20	2.36	1.74	1.69	1.01
5	2.77	2.36	2.49	1.88	1.78	1.11
6	2.90	2.49	2.61	2.00	1.86	1.19
7	3.00	2.59	2.70	2.10	1.93	1.26
8	3.08	2.68	2.78	2.18	1.99	1.32
9	3.16	2.76	2.85	2.25	2.04	1.38
10	3.22	2.82	2.91	2.32	2.09	1.43
11	3.27	2.88	2.97	2.38	2.13	1.48
12	3.32	2.93	3.02	2.43	2.17	1.52
13	3.37	2.98	3.06	2.48	2.21	1.56
14	3.42	3.03	3.11	2.53	2.25	1.60
15	3.47	3.08	3.16	2.58	2.28	1.63
16	3.52	3.13	3.20	2.62	2.32	1.67
17	3.57	3.18	3.25	2.67	2.35	1.71
18	3.62	3.23	3.30	2.72	2.39	1.74
19	3.67	3.28	3.34	2.77	2.43	1.78
20	3.72	3.33	3.39	2.82	2.46	1.82
21	3.77	3.38	3.44	2.86	2.50	1.86
22	3.82	3.43	3.49	2.91	2.54	1.89
23	3.87	3.48	3.53	2.96	2.57	1.93
24	3.92	3.54	3.58	3.01	2.61	1.97
25	3.95	3.57	3.61	3.04	2.63	1.99
26	3.98	3.60	3.64	3.08	2.66	2.02
27	4.02	3.64	3.68	3.11	2.69	2.05
28	4.05	3.67	3.71	3.14	2.71	2.08
29	4.08	3.71	3.74	3.18	2.74	2.10
30	4.12	3.74	3.77	3.21	2.76	2.13
31	4.15	3.78	3.81	3.24	2.79	2.16
32	4.18	3.81	3.84	3.28	2.82	2.18
33	4.22	3.84	3.87	3.31	2.84	2.21
34	4.25	3.88	3.90	3.34	2.87	2.24
35	4.28	3.91	3.94	3.38	2.90	2.27
36	4.32	3.95	3.97	3.41	2.92	2.29
37	4.35	3.98	4.00	3.44	2.94	2.32
38	4.37	4.00	4.02	3.47	2.97	2.34
39	4.40	4.03	4.05	3.49	2.99	2.36
40	4.43	4.06	4.08	3.52	3.01	2.38

Benefit Period (Months)	7 Day Coverages		14 Day Coverages		30 Day Coverages	
	Retro	Elim	Retro	Elim	Retro	Elim
41	4.45	4.09	4.10	3.55	3.03	2.41
42	4.48	4.11	4.13	3.58	3.05	2.43
43	4.51	4.14	4.16	3.61	3.08	2.45
44	4.54	4.17	4.18	3.63	3.10	2.48
45	4.56	4.20	4.21	3.66	3.12	2.50
46	4.59	4.23	4.24	3.69	3.14	2.52
47	4.62	4.25	4.26	3.72	3.16	2.55
48	4.64	4.28	4.29	3.74	3.19	2.57
49	4.67	4.31	4.31	3.77	3.20	2.59
50	4.69	4.33	4.34	3.79	3.22	2.61
51	4.71	4.35	4.36	3.82	3.24	2.63
52	4.74	4.38	4.38	3.84	3.26	2.65
53	4.76	4.40	4.41	3.87	3.28	2.67
54	4.78	4.43	4.43	3.89	3.30	2.69
55	4.81	4.45	4.45	3.91	3.32	2.71
56	4.83	4.48	4.47	3.94	3.34	2.73
57	4.86	4.50	4.50	3.96	3.36	2.75
58	4.88	4.52	4.52	3.99	3.38	2.77
59	4.90	4.55	4.54	4.01	3.40	2.79
60	4.93	4.57	4.57	4.03	3.42	2.81
61	4.95	4.59	4.59	4.06	3.44	2.83
62	4.97	4.62	4.61	4.08	3.45	2.85
63	4.99	4.64	4.63	4.10	3.47	2.87
64	5.01	4.66	4.65	4.12	3.49	2.89
65	5.03	4.68	4.67	4.14	3.51	2.91
66	5.05	4.70	4.69	4.16	3.52	2.92
67	5.07	4.72	4.71	4.19	3.54	2.94
68	5.09	4.75	4.73	4.21	3.56	2.96
69	5.11	4.77	4.75	4.23	3.58	2.98
70	5.14	4.79	4.78	4.25	3.59	3.00
71	5.16	4.81	4.80	4.27	3.61	3.02
72	5.18	4.83	4.82	4.30	3.63	3.03
73	5.20	4.85	4.84	4.32	3.65	3.05
74	5.22	4.87	4.85	4.34	3.66	3.07
75	5.23	4.89	4.87	4.36	3.68	3.09
76	5.25	4.91	4.89	4.38	3.70	3.10
77	5.27	4.93	4.91	4.39	3.71	3.12
78	5.29	4.95	4.93	4.41	3.73	3.14
79	5.31	4.97	4.95	4.43	3.74	3.15
80	5.33	4.99	4.97	4.45	3.76	3.17

Benefit Period (Months)	7 Day Coverages		14 Day Coverages		30 Day Coverages	
	Retro	Elim	Retro	Elim	Retro	Elim
81	5.35	5.01	4.99	4.47	3.78	3.19
82	5.37	5.03	5.01	4.49	3.79	3.21
83	5.39	5.05	5.03	4.51	3.81	3.22
84	5.41	5.07	5.04	4.53	3.83	3.24
85	5.42	5.09	5.06	4.55	3.84	3.26
86	5.44	5.11	5.08	4.57	3.86	3.27
87	5.46	5.12	5.10	4.59	3.87	3.29
88	5.48	5.14	5.11	4.61	3.89	3.30
89	5.49	5.16	5.13	4.63	3.90	3.32
90	5.51	5.18	5.15	4.64	3.92	3.34
91	5.53	5.20	5.17	4.66	3.93	3.35
92	5.55	5.21	5.18	4.68	3.95	3.37
93	5.56	5.23	5.20	4.70	3.96	3.38
94	5.58	5.25	5.22	4.72	3.98	3.40
95	5.60	5.27	5.24	4.74	3.99	3.42
96	5.62	5.29	5.25	4.75	4.01	3.43
97	5.63	5.30	5.27	4.77	4.02	3.45
98	5.65	5.32	5.29	4.79	4.03	3.46
99	5.66	5.34	5.30	4.81	4.05	3.48
100	5.68	5.35	5.32	4.82	4.06	3.49
101	5.70	5.37	5.33	4.84	4.08	3.51
102	5.71	5.39	5.35	4.86	4.09	3.52
103	5.73	5.41	5.37	4.87	4.10	3.54
104	5.75	5.42	5.38	4.89	4.12	3.55
105	5.76	5.44	5.40	4.91	4.13	3.57
106	5.78	5.46	5.42	4.93	4.15	3.58
107	5.79	5.47	5.43	4.94	4.16	3.60
108	5.81	5.49	5.45	4.96	4.18	3.61
109	5.83	5.51	5.46	4.98	4.19	3.62
110	5.84	5.52	5.48	4.99	4.20	3.64
111	5.86	5.54	5.49	5.01	4.21	3.65
112	5.87	5.55	5.51	5.02	4.23	3.67
113	5.89	5.57	5.52	5.04	4.24	3.68
114	5.90	5.58	5.54	5.05	4.25	3.69
115	5.92	5.60	5.55	5.07	4.27	3.71
116	5.93	5.61	5.57	5.09	4.28	3.72
117	5.95	5.63	5.58	5.10	4.29	3.74
118	5.96	5.65	5.60	5.12	4.31	3.75
119	5.98	5.66	5.61	5.13	4.32	3.76
120	5.99	5.68	5.63	5.15	4.33	3.78