

**THE STATE
OF ALABAMA**



**DEPARTMENT
OF
INSURANCE**

**LIFE, ANNUITY & HEALTH
FILING INFORMATION**

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THE STATE OF ALABAMA DEPARTMENT OF INSURANCE LIFE, ANNUITY, AND HEALTH FILING INFORMATION

I. General Information

Alabama Insurance Law is Title 27 of the Code of Alabama 1975 (hereafter referred to as ‘the Code’) and can be accessed at <http://www.aldoi.gov/Legal/Title27.aspx>

The information contained herein is provided to assist insurers in submitting and Department personnel in reviewing filings and does not supersede the requirements of Alabama laws and regulations governing the business of insurance. Insurers are required to be aware of and comply with all Alabama laws, regulations, and department bulletins which can be found in the Legal section of our website at www.aldoi.gov.

All filings must be submitted electronically via SERFF with EFT per Bulletin [#2010-07](#) dated May 17, 2010. (See General Instructions tab in SERFF for filing details)

The NAIC Uniform Life, Health, Annuity, and Credit Coding Matrix may be accessed at the following site [2021 LAH PCM.pdf \(naic.org\)](#)

Effective June 9, 2011, Alabama adopted the Interstate Insurance Product Regulation Compact and thereby became a member of the Interstate Insurance Product Regulation Commission. See Chapter [27-60](#) of the Code for details.

Filing fee information is found in our Bulletin [#2010-07](#) dated May 17, 2010.

All policies containing arbitration agreements must comply with our Departmental guidelines and requirements Bulletin of [March 5, 1998](#). **Exhibit A is no longer required. If Exhibit A is filed, it must comply with our Exhibit A.**

An Alabama-specific fraud warning must be included on all applications or one of the other documents listed in Section [27-12A-20](#) of the Code.

All filings must be submitted in their final versions.

Third-party filers must attach a copy of the authorization letter containing the company’s letterhead. This document should be attached under the Supporting Documentation tab. **Filing and approval** of forms authority are found in Section [27-14-8](#) of the Code.

General policy content requirements are found in Section [27-14-11](#) of the Code. Specific policy provisions required by law are located in the chapters pertaining to the type of coverage.

General policy filing requirements are found in Regulation Chapter [482-1-024](#). This Regulation also stipulates that all filings will be made public, except for proprietary information. While it mentions rates, it has been the Department's practice to make all health rates public and only keep the actuarial memorandum private. Rates are to be separated from the actuarial memorandum and filed on the "Rate/Rule Schedule" tab. Rates are only required for health filings.

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[Section 27-14-9](#) Forms - **Grounds for disapproval or withdrawal of previous approval.**

The commissioner may disapprove any form filed under Section [27-14-8](#) or withdraw any previous approval thereof only if the form:

- (1) Is in any respect in violation of, or does not comply with, this title;
- (2) Contains or incorporates by reference, where such incorporation is otherwise permissible, any inconsistent, ambiguous, or misleading clauses or exceptions and conditions which deceptively affect the risk purported to be assumed in the general coverage of the contract;
- (3) Has any title, heading, or other indication of its provisions, which is misleading;
- (4) Is printed, or otherwise reproduced, in such manner as to render any provision of the form substantially illegible; or
- (5) Contains provisions, which are unfair, or inequitable, or contrary to the public policy of this state or which would, because such provisions are unclear or deceptively worded, encourage misrepresentation.

All Policies:

Face Page

All policies must include a face page with the Company's name and address, the type of policy, and an officer signature.

Specs/Data/Schedule Page –This page includes details such as the insured's name, policy number, face amount, etc. This page is part of the policy so even if filed separately, it is reviewed for approval.

Form Revisions:

Forms that have been issued/ making revisions:

Insurers may file an entire policy/contract or revise and file only certain pages. Any revised pages or policies must have a new form number to differentiate the new form(s) from the old/original form(s). Please reference the SERFF tracking number of the previously approved form filing in the General Information tab.

Forms that have not been issued/ making revisions:

For previously approved form(s) that have never been issued may a revision be made without giving the revised document a new form number. If a revision is being made to a previously approved form, we prefer an insurer request to reopen a previously approved filing to make the changes. The insurer should indicate in a note to the reviewer that it wishes to reopen a closed filing to make revisions to forms that have not yet be used. It is also acceptable for a company to make revisions to an actuarial memorandum or variability memorandum in this manner as well. The idea is to keep all related aspects of a particular form together.

Actuarial Certification:

An actuarial certification is an actuarial communication and so must contain the required disclosures outlined in ASOP 41 and the US Qualification Standards that shall include a statement of qualification, signature, title, company, email address, and telephone number of the person rendering the certification, as well as the date on which it is signed.

II. Life Insurance Filing Requirements

All life insurance filings must include a signed actuarial memorandum describing the policy and the reserve and nonforfeiture value methodology and must comply with [Sections 27-15-72 through 82 of the Code](#).

For all policies with non-guaranteed elements, a statement that the policy will be illustrated or non-illustrated must be made at the time of filing. If illustrated, the requirements of Regulation Chapter [482-1-114](#) apply, including actuarial certification.

For all policies with an accelerated benefit provision, the requirements of Regulation Chapter [482-1-113](#) apply, including a disclosure form and actuarial memorandum.

An accidental death benefit provision may only require that the accident causing the death of the insured occur while the policy is in force and that death occurs not less than 90 days after the accident per our Bulletin of [October 26, 1998](#).

All flexible/universal/interest-sensitive life policies should contain a provision that the current values of the contract will be furnished to the owner or insured at least annually.

No rate filings are requested for life insurance submissions. The Department should be notified of changes to non-guaranteed COI rates and premium schedules as they occur. If for whatever reason, a Company chooses to file life rates, the charge is still \$50, even if the rates are informational/not required.

All life insurance advertisements must comply with Regulation Chapter [482-1-132](#).

All life insurance replacements must comply with Regulation Chapter [482-1-133](#).

All life insurance solicitations must comply with Regulation Chapter [482-1-131](#).

Insurable Interest requirements: [ALA.CODE 27-14-3](#)

Consent of insurer: [ALA.CODE 27-14-6](#)

Insurance of minor: [ALA.CODE 27-14-5](#)

A. Individual Life

All individual life insurance policies must contain in substance all of the following provisions except those not applicable to single premium or term policies:

1. A **grace period** of not less than 30 days (60 days for flexible premium UL policies) per Section [27-15-3](#) of the Code.
There shall be a provision that a grace period of 30 days or, at the option of the insurer, of one month of not less than 30 days shall be allowed within which the payment of any premium after the first may be made, during which period of grace the policy shall continue in full force; but if a claim arises under the policy during such period of grace, the amount of any premium due or overdue may be deducted from the policy proceeds.
2. A **two-year incontestability** provision per Section [27-15-4](#) of the Code.
There shall be a provision that the policy, exclusive, at the option of the insurer, of provisions relating to disability benefits or to additional benefits in the event of death by accident or accidental means, shall be incontestable, except for nonpayment of premiums, after it has been in force during the lifetime of the insured for a period of two years from its date of issue.
3. An **entire contract and statements deemed representations** provision per Section [27-15-5](#) of the Code.
There shall be a provision that the policy, or the policy and the application or a summary of such application, if a copy of the application or a summary thereof is endorsed upon or attached to the policy when issued, shall constitute the entire contract between the parties and that all statements contained in the application shall, in the absence of fraud, be deemed representations and not warranties. In the event of discrepancies between the original application and the summary, the contents of the original application shall govern. When a summary of the application is attached to the policy, the insurer shall keep and maintain the original application for insurance or a copy thereof for a period of not less than three years from the date on which the policy was issued.
4. A **misstatement of age or sex** provision per Section [27-15-6](#) of the Code.
There shall be a provision that if the age or sex of the insured or of any other person whose age or sex is considered in determining the premium has been misstated, any amount payable or benefit accruing under the policy shall be such as the premium would have purchased at the correct age or sex.
5. A **dividends** provision for participating policies per Section [27-15-7](#) of the Code.

There shall be a provision in participating policies that, beginning not later than the end of the third policy year, the insurer shall annually ascertain and apportion the divisible surplus, if any, that will accrue on the policy anniversary or other dividend date specified in the policy, provided the policy is in force and all premiums to that date are paid. Except as provided in this section, any dividend becoming payable shall, at the option of the party entitled to elect such option, be either:

(1) Payable in cash; or

(2) Applied to any one of such other dividend options as may be provided by the policy. If any such other dividend options are provided, the policy shall further state which option shall be automatically effective if such party shall not have elected some other option. If the policy specifies a period within which such other dividend option may be elected, such period shall be not less than 30 days following the date on which such dividend is due and payable. The annually apportioned dividend shall be deemed to be payable in cash within the meaning of subdivision (1) of this section, even though the policy provides that payment of such dividend is to be deferred for a specified period, provided such period does not exceed six years from the date of apportionment and that interest will be added to such dividend at a specified rate and provided, further, that upon the maturity, surrender, or other expiry of the policy, any such dividend, and interest thereon, shall not be forfeited to the insurer. If a participating policy provides that the benefit under any paid-up nonforfeiture provision is to be participating, it may provide that any divisible surplus becoming payable or apportioned while the insurance is in force under such nonforfeiture provision shall be applied in the manner set forth in the policy.

6. A **policy loan** provision for policies with cash values per Section [27-15-8](#) of the Code.
 - (a) In case of policies issued on and after the operative date of Section 21-15-28, there shall be a provision that after the policy has a cash surrender value and while no premium is in default beyond the grace period for payment the insurer will advance, on proper assignment or pledge of the policy and on the sole security thereof, at a specified rate of interest not exceeding eight percent per annum, payable in advance, an amount equal to or, at the option of the party entitled thereto, less than the loan value of the policy. The loan value of the policy shall be at least equal to the cash surrender value at the end of the then current policy year, provided that the insurer may deduct, either from such loan value or from the proceeds of the loan, any existing indebtedness not already deducted in determining such cash surrender value including any interest then accrued but not due, any unpaid balance of the premium for the current policy year and interest on the loan to the end of the current policy year. The policy may also provide that if interest on any indebtedness is not paid when due it shall then be added to the existing indebtedness and shall bear interest at the same rate and that, if and when the total indebtedness on the policy, including interest due or accrued, equals or exceeds the amount of the loan value thereof, then the policy shall terminate and become void, but not until at least 30 days' notice shall have been mailed by the insurer to the last known address of the insured or policy owner and of any assignee of record at the home office of the insurer. The policy shall reserve to the insurer the right to defer the granting of a loan, other than for the payment of any premium to the insurer, for six months after

application therefor. The policy, at the insurer's option, may provide for automatic premium loan, subject to an election of the party entitled to elect.

(b) This section shall not apply to term policies nor to term insurance benefits provided by rider or supplemental policy provision.

7. A **loan interest rate** provision for policies with cash values per Section [27-15-8.1](#) of the Code.
 - a. The most common: A provision permitting a maximum interest rate of not more than **eight percent per annum (in arrears or 7.4% in advance)**;
or
 - b. A provision permitting an adjustable maximum interest rate established from time to time by the life insurer as permitted by law. See further details for a variable rate in [27-15-8.1](#)
8. A **table of values** provision for policies with cash values per Section [27-15-70](#) of the Code. In the case of all other policies, a statement of the mortality table and interest rate used in calculating the cash surrender values and the paid-up nonforfeiture benefits available under the policy, together with a table showing the cash surrender value, if any, and paid-up nonforfeiture benefit, if any, available under the policy on each policy anniversary, either during the first 20 policy years or during the term of the policy, whichever is shorter.
9. A **guaranteed installments table** for policies that offer this option per Section [27-15-10](#) of the Code.

If the policy provides that the proceeds may be payable in installments which are determinable at issue of the policy, there shall be a table showing the amounts of the guaranteed installments.
10. A **reinstatement after premium default** provision per Section [27-15-11](#) of the Code.

There shall be a provision that unless the policy has been surrendered for its cash value, or its cash surrender value has been exhausted or the period of any extended insurance provided by the policy has expired, the policy will be reinstated at any time within three years after the date of premium default upon written application therefor, the production of evidence of insurability satisfactory to the insurer, the payment of all overdue premiums and payment, or, within the limits permitted by the then cash value of the policy, reinstatement, of any other indebtedness to the insurer upon the policy, with interest as to both premiums and indebtedness at a rate not exceeding the rate of interest on policy loans specified in the policy in accordance with the provisions of Section [27-15-8.1](#), as may be amended from time to time.
11. A **payment of premium** provision per Section [27-15-12](#) of the Code.
 - (a) There shall be a provision relative to the payment of premiums.
 - (b) A premium may not be increased unless the policy or a document delivered with the policy contains a premium increase provision. If continuation of coverage is guaranteed that shall be stated in this premium increase provision
12. A **settlement of death benefit** provision per Section [27-15-13](#) of the Code.

There shall be a provision that when a policy shall become a claim by the death of the insured, settlement shall be made upon receipt of due proof of death and, at the insurer's option, surrender

of the policy and proof of the interest of the claimant. If an insurer shall specify a particular period prior to the expiration of which settlement shall be made, such period shall not exceed two months from the receipt of such proofs.

13. **Exclusions and restrictions in life insurance policies** per Section [27-15-24](#) of the Code.

(a) No policy of life insurance shall be delivered or issued for delivery in this state if it contains any of the following provisions:

(1) A provision for a period shorter than that provided by statute within which an action may be commenced on such a policy; and

(2) A provision which excludes or restricts liability for death caused in a certain specified manner or occurring while the insured has a specified status; except, that a policy may contain provisions excluding or restricting coverage as specified therein in the event of death under any one or more of the following circumstances:

a. Death as a result, directly or indirectly, of war, declared or undeclared, or of action by military forces, or of any act or hazard of such war or action, or of service in the military, naval or air forces or in civilian forces auxiliary thereto, or from any cause while a member of such military, naval or air forces of any country at war, declared or undeclared, or of any country engaged in such military action;

b. Death as a result of aviation or any air travel or flight;

c. Death as a result of a specified hazardous occupation or occupations, avocation or avocations;

d. Death while the insured is a resident outside the continental United States and Canada; or

e. Death within two years from the date of issue of the policy as a result of suicide, while sane or insane.

(b) A policy which contains any exclusion or restriction pursuant to subsection (a) of this section shall also provide that in the event of death under the circumstances to which any such exclusion or restriction is applicable the insurer will pay an amount not less than a reserve determined according to the commissioner's reserve valuation method upon the basis of the mortality table and interest rate specified in the policy for the calculation of nonforfeiture benefits, or, if the policy provides for no such benefits, computed according to a mortality table and interest rate determined by the insurer and specified in the policy, with adjustment for indebtedness or dividend credit; except, that if the policy has been in force for not more than two years, the insurer shall pay the amount of the gross premiums charged on the policy less dividends paid in cash or used in the payment of premiums thereon and less any indebtedness to the insurer on the policy, including interest due or accrued.

(c) This section shall not apply to group life insurance, disability insurance, reinsurance or annuities, or to any provision in a life insurance policy or contract supplemental thereto relating to disability benefits or to additional benefits in the event of death or dismemberment by accident or accidental means or to any provision relating to waiver of premium in event of death or disability of the beneficiary or premium payer.

(d) Nothing contained in this section shall prohibit any provision which in the opinion of the commissioner is more favorable to the policyholder than a provision permitted by this section.

All authorized receipts from an insurance company where the premium payment is made through an agent must include specific wording per our Regulation Chapter [482-1-078](#).

482-1-078-.04 Named Payee on Premium Checks. All premium checks and annuity considerations shall be made payable to the insurance company or annuity company writing such policy of insurance or annuity. In no instance is an agent allowed to receive a premium or annuity consideration check made payable to any person other than the insurer.

482-1-078-.05 Receipts. (Conditional Receipts)

(1) Authorized receipts from the insurance company or its agents writing such policy of insurance or annuity contract shall be given to the applicant, policyholder, or annuitant at the time of receipt of the premium check or annuity consideration.

(2) Such receipt shall be on the insurance company's printed form on file with and approved by the Commissioner of Insurance, and must clearly show the name and address of the company, the date, name of agent, total premium or annuity consideration collected at the time of the giving of such receipt and the type of policy to be issued in consideration of such premium or annuity consideration. Furthermore, the following statement shall be incorporated into the face of said receipt, in bold type:

"ALL PREMIUM CHECKS OR ANNUITY CONSIDERATIONS MUST BE MADE PAYABLE TO THE INSURANCE COMPANY - DO NOT MAKE CHECK PAYABLE TO THE AGENT OR LEAVE THE PAYEE BLANK."

B. Group Life

All group life insurance policies must contain in substance all of the following provisions:

1. A **grace period** of not less than 30 days per Section [27-18-3](#) of the Code. The group life insurance policy shall contain a provision that the policyholder is entitled to a grace period of not less than 30 days for the payment of any premium due except the first, during which grace period the death benefit coverage shall continue in force unless the policyholder shall have given the insurer written notice of discontinuance in advance of the date of discontinuance and in accordance with the terms of the policy. The policy may

provide that the policyholder shall be liable to the insurer for the payment of a pro rata premium for the time the policy was in force during such grace period.

2. A **two-year incontestability** provision per Section [27-18-4](#) of the Code.
The group life insurance policy shall contain a provision that the validity of the policy shall not be contested, except for nonpayment of premium, after it has been in force for two years from its date of issue and that no statement made by any person insured under the policy relating to his insurability shall be used in contesting the validity of the insurance with respect to which such statement was made after such insurance has been in force prior to the contest for a period of two years during such person's lifetime nor unless it is contained in a written instrument signed by him.
3. A **copy of the application and statements deemed representations** provision per Section [27-18-5](#) of the Code.
The group life insurance policy shall contain a provision that a copy of the application, if any, of the policyholder shall be attached to the policy when issued, that all statements made by the policyholder or by the persons insured shall be deemed representations and not warranties and that no statement made by any person insured shall be used in any contest unless a copy of the instrument containing the statement is or has been furnished to such person or to his beneficiary.
4. A provision **setting forth evidence of insurability conditions**, if any, per Section [27-18-6](#) of the Code.
The group life insurance policy shall contain a provision setting forth the conditions, if any, under which the insurer reserves the right to require a person eligible for insurance to furnish evidence of individual insurability, satisfactory to the insurer as a condition to part or all of his coverage.
5. A **misstatement of age** provision per Section [27-18-7](#) of the Code.
The group life insurance policy shall contain a provision specifying an equitable adjustment of premiums or of benefits, or of both, to be made in the event the age of a person insured has been misstated, such provision to contain a clear statement of the method of adjustment to be used.
6. A **coverage of debtor's** provision, if applicable, per Section [27-18-8](#) of the Code.
In the case of a policy issued to a creditor to insure debtors of such creditor, there shall be a provision that the insurer will furnish to the policyholder for delivery to each debtor insured under the policy a form which will contain a statement that the life of the debtor is insured under the policy and that any death benefit paid thereunder by reason of his death shall be applied to reduce or extinguish the indebtedness
7. A **benefits payable to the designated beneficiary** provision per Section [27-18-9](#) of the Code.
The group life insurance policy shall contain a provision that any sum becoming due by reason of the death of the person insured shall be payable to the beneficiary designated by the person insured, subject to the provisions of the policy in the event there is no designated

beneficiary as to all, or any part, of such sum living at the death of the person insured, and subject to any right reserved by the insurer in the policy and set forth in the certificate to pay at its option a part of such sum not exceeding \$500.00 to any person appearing to the insurer to be equitably entitled thereto by reason of having incurred funeral or other expenses incident to the last illness or death of the person insured.

8. An **individual certificate issuance** provision per Section [27-18-10](#) of the Code.
The group life insurance policy shall contain a provision that the insurer will issue to the policyholder for delivery to each person insured an individual certificate setting forth a statement as to the insurance protection to which he is entitled, to whom the insurance benefits are payable and the rights and conditions set forth in Sections 27-18-11, 27-18-12 and 27-18-13.

9. A **conversion rights** provision per Section [27-18-11](#) of the Code.
The group life insurance policy shall contain a provision that if the insurance, or any portion of it, on a person covered under the policy ceases because of termination of employment or of membership in the class, or classes, eligible for coverage under the policy, such person shall be entitled to have issued to him by the insurer, without evidence of insurability, an individual policy of life insurance without disability or other supplementary benefits, provided application for the individual policy shall be made and the first premium paid to the insurer within 31 days after such termination and provided, further, that:
 - (1) The individual policy shall, at the option of such person, be on any one of the forms, except term insurance, then customarily issued by the insurer at the age and for the amount applied for;

 - (2) The individual policy shall be in an amount not in excess of the amount of life insurance which ceases because of such termination less the amount of any life insurance for which such person is, or becomes, eligible under any other group policy within 31 days after such termination, provided that any amount of insurance which shall have matured on, or before, the date of such termination as an endowment payable to the person insured, whether in one sum, or in installments or in the form of an annuity shall not, for the purposes of this provision, be included in the amount which is considered to cease because of such termination; and

 - (3) The premium on the individual policy shall be at the insurer's then customary rate applicable to the form and amount of the individual policy, to the class of risk to which such person then belongs and to his age attained on the effective date of the individual policy.

10. A **policy termination** provision per Section [27-18-12](#) of the Code.
The group life insurance policy shall contain a provision that if the group policy terminates, or is amended so as to terminate the insurance of any class of insured persons, every person insured thereunder at the date of such termination whose insurance terminates and who has been so insured for at least five years prior to such termination date shall be entitled to have issued to him by the insurer an individual policy of life insurance, subject to the same conditions and limitations as are provided by Section [27-18-11](#); except, that the group policy may provide that the amount of such individual policy shall not exceed the smaller of:

(1) The amount of the person's life insurance protection ceasing because of the termination or amendment of the group policy, less the amount of any life insurance for which he is, or becomes, eligible under any group policy issued or reinstated by the same or another insurer, within 31 days after such termination; and

(2) \$2,000.00.

11. A **death during conversion period** provision per Section [27-18-13](#) of the Code.

The group life insurance policy shall contain a provision that if a person insured under the policy dies during the period within which he would have been entitled to have an individual policy issued to him in accordance with Sections 27-18-11 and 27-18-12 and before such an individual policy shall have become effective, the amount of life insurance which he would have been entitled to have issued to him under such individual policy shall be payable as a claim under the group policy, whether or not application for the individual policy or the payment of the first premium therefor has been made.

12. A **notice of conversion rights** provision per Section [27-18-14](#) of the Code.

If any individual insured under a group life insurance policy hereafter delivered in this state becomes entitled under the terms of such policy to have an individual policy of life insurance issued to him without evidence of insurability, subject to making of application and payment of the first premium within the period specified in such policy, and if such individual is not given notice of the existence of such right at least 15 days prior to the expiration date of such period, then, in such event, the individual shall have an additional period within which to exercise such right, but nothing contained in this section shall be construed to continue any insurance beyond the period provided in such policy. This additional period shall expire 15 days next after the individual is given such notice, but in no event shall such additional period extend beyond 60 days next after the expiration date of the period provided in such policy. Written notice presented to the individual or mailed by the policyholder to the last known address of the individual or mailed by the insurer to the last known address of the individual as furnished by the policyholder shall constitute notice for the purpose of this section.

13. An **assignability provision** per Section [27-18-16](#) of the Code.

Any person insured under a group insurance policy may, in accordance with Section [27-14-21](#) and pursuant to the terms of such policy or an arrangement among the insured, the group policyholder and the insurer, make an assignment of the rights and benefits conferred by any provision of such policy or by law, including specifically, but not by way of limitation, the right to have issued to the insured an individual policy arising from conversion or otherwise and the right to name a beneficiary. Any assignment permitted in this section, whether made before or after January 1, 1972, shall be valid for the purpose of vesting in the assignee all such rights and benefits so assigned and shall entitle the insurer to deal with the assignee as the owner of all rights and benefits conferred on the insured under the policy in accordance with the terms of the assignment without prejudice to the insurer on account of any payment it may make or any individual policy it may issue arising from conversion prior to receipt at its home office of written notice of such assignment. This section acknowledges, declares

and codifies the right of assignment of interest under like insurance policies existing prior to the enactment of this title.

Additional information:

- Any legal action provision in a group life policy must comply with our Bulletin of [September 4, 2007](#), and Section [6-2-34](#) of the Code to have a minimum time of 60 days and maximum time of 6 years for commencement of legal action.

C. Credit Life Insurance

All credit life insurance policies must comply with our Regulation Chapter [482-1-117](#).

All credit life insurance rates must comply with the State Banking Department's Regulation [155-2-2-12](#).

An actuarial memorandum demonstrating equivalence to Banking Department prima facie rates must be filed with the policy.

III. Annuity Filing Requirements

All annuities, other than reversionary, survivorship, or group annuities shall contain the following provisions except any provisions not applicable to single premium or flexible premium annuities:

1. A **grace period of not less than 30 days** per Section [27-15-17](#) of the Code.
In an annuity or pure endowment contract, other than a reversionary, survivorship, or group annuity, there shall be a provision that there shall be a period of grace of one month, but not less than 30 days, within which any stipulated payment to the insurer falling due after the first may be made, subject at the option of the insurer to an interest charge thereon at a rate to be specified in the contract but not exceeding six percent per annum for the number of days of grace elapsing before such payment, during which period of grace the contract shall continue in full force; but in case a claim arises under the contract on account of death prior to expiration of the period of grace before the overdue payment to the insurer or the deferred payments of the current contract year, if any, are made, the amount of such payments, with interest on any overdue payments, may be deducted from any amount payable under the contract in settlement.
2. A **two-year incontestability** provision per Section [27-15-18](#) of the Code.
If any statements, other than those relating to age, sex and identity, are required as a condition to issuing an annuity or pure endowment contract, other than a reversionary, survivorship, or group annuity and subject to Section [27-15-20](#), there shall be a provision that the contract shall be incontestable after it has been in force during the lifetime of the person, or of each of the persons, as to whom such statements are required for a period of two years from its date of issue, except for nonpayment of stipulated payments to the insurer; and at the

option of the insurer, such contract may also except any provisions relative to benefits in the event of disability and any provisions which grant insurance specifically against death by accident or accidental means.

3. An **entire contract** provision per Section [27-15-19](#) of the Code.
In an annuity or pure endowment contract, other than a reversionary, survivorship or group annuity, there shall be a provision that the written contract shall constitute the entire contract between the parties or, if a copy of the application or a summary thereof is endorsed upon or attached to the contract when issued, a provision that the written contract and the application or summary thereof shall constitute the entire contract between the parties. In the event of discrepancies between the original application and the summary, the contents of the original application shall govern. When a summary of the application is attached to the policy, the insurer shall keep and maintain the original application for insurance or a copy thereof for a period of not less than three years from the date on which the policy was issued.
4. A **misstatement of age or sex** provision per Section [27-15-20](#) of the Code.
In an annuity or pure endowment contract, other than a reversionary, survivorship or group annuity, there shall be a provision that if the age or sex of the person, or persons, upon whose life, or lives, the contract is made, or of any of them, has been misstated, the amount payable or benefits accruing under the contract shall be such as the stipulated payment, or payments, to the insurer would have purchased according to the correct age or sex and that if the insurer shall make, or has made, any overpayment, or overpayments, on account of any such misstatement the amount thereof, with interest at the rate to be specified in the contract but not exceeding six percent per annum, may be charged against the current or next succeeding payment, or payments, to be made by the insurer under the contract.
5. A **dividend provision for participating contracts** per Section [27-15-21](#) of the Code.
If an annuity or pure endowment contract, other than a reversionary, survivorship, or group annuity, is participating, there shall be a provision that the insurer shall annually ascertain and apportion any divisible surplus accruing on the contract.
6. A **reinstatement after premium default** provision per Section [27-15-22](#) of the Code.
In an annuity or pure endowment contract, other than a reversionary, survivorship or group annuity, there shall be a provision that the contract may be reinstated at any time within one year from the default in making stipulated payments to the insurer unless the cash surrender value has been paid, but all overdue stipulated payments and any indebtedness to the insurer on the contract shall be paid or reinstated with interest thereon at a rate to be specified in the contract, but not exceeding six percent per annum payable annually, and, in cases where applicable, the insurer may also include a requirement of evidence of insurability satisfactory to the insurer.
7. **Reversionary annuities** must include the required provisions of Section [27-15-23](#) of the Code.
(a) Except as stated in this section, no contract for a reversionary annuity shall be delivered or issued for delivery in this state unless it contains in substance each of the following provisions:

(1) Any such reversionary annuity contract shall contain the provisions specified in Sections **27-15-17 through 27-15-21** except that under Section 27-15-20 the insurer may at its option provide for an equitable reduction of the amount of the annuity payments in settlement of an overdue or deferred payment in lieu of providing for deduction of such payments from an amount payable upon settlement under the contract; and

(2) In such reversionary annuity contracts, there shall be a provision that the contract may be **reinstated at any time within three years** from the date of default in making stipulated payments to the insurer upon production of evidence of insurability satisfactory to the insurer and upon condition that all overdue payments and any indebtedness to the insurer on account of the contract be paid or, within the limits permitted by the then cash values of the contract, reinstated with interest as to both payments and indebtedness at a rate to be specified in the contract, but not exceeding six percent per annum compounded annually.

(b) This section shall not apply to group annuities or annuities included in life insurance policies, and any of such provisions not applicable to single-premium annuities shall not to that extent be incorporated therein.

All annuities providing for the payment, at the insurer's discretion, of interest in excess of the rate guaranteed in the policy should contain a provision that the current values of the contract will be furnished to the owner or insured at least annually.

All annuity filings must include a signed actuarial memorandum describing the contract, values, reserves, and surrender charges and demonstrate the compliance of policy values with the standard nonforfeiture law for individual deferred annuities as found in Section [27-15-28.2](#) of the Code.

All annuity advertisements must comply with Regulation Chapter [482-1-132](#).

All annuity replacements must comply with Regulation Chapter [482-1-133](#).

All annuity solicitations must comply with Regulation Chapters [482-1-129](#) and [482-1-137](#).

IV. Health Insurance Filing Requirements

All health insurance policies filed for use in Alabama must comply with all federal health insurance requirements including the Patient Protection and Affordable Care Act as enacted March 23, 2010, and all related regulations and guidance. See Bulletins of [June 23, 2000](#), [2010-08](#) and [2016-03](#).

Effectively June 11, 2015, the Alabama DOI will no longer accept a combination Form/Rate filing type for any health product except for Medicare Supplement, Long Term Care, and Credit (these exceptions have TOIs of MS01-9, LTC01-06, and CR01-07). All other health product filings must be filed as a separate Form filing and a separate Rate filing with the appropriate filing submission requirements for each filing type. Also, each separate Form and Rate filing

must cross-reference the SERFF tracking number of the corresponding Form or Rate filing so that the DOI can verify that both filings have been submitted as required before any Disposition can be created.

For all health rate filings: ALL FIELDS IN THE RATE/RULE SCHEDULE TAB MUST BE COMPLETED and all rates must be attached to this Tab or the filing will be rejected. Rates should NOT be included in the Actuarial Memorandum or as a separate Supporting Document but must be attached to the Rate/Rule Schedule Tab as a separate document.

Notices of rate increases and rate filings in general, accompanied by a signed actuarial memorandum, are requested to be filed on an informational basis per our Regulation [Chapter 482-1-024.03\(6\)](#). The following rates and rate increases are to be filed for prior approval:

- Long-Term care per our Regulation Chapter [482-1-091-.29 & .30](#)
- Medicare supplement per our Regulation Chapter [482-1-071-.15](#)
- All ACA plans per Collaborative Enforcement Agreement with CMS on [April 18, 2016](#).

Health benefit claim payments must comply with Section [27-1-17](#) of the Code (Prompt Pay Law).

Any health benefit plan that offers prescription drug benefits must comply with Sections [27-1-21](#) and [27-1-22](#) and Section [27-45-1](#), et seq. of the Code.

All health policies providing coverage on an expense-incurred basis shall provide benefits for newborn children per Section [27-19-38](#) of the Code.

Every health insurance benefit plan which provides coverage for surgical services for a mastectomy must comply with Section [27-50-1](#), et seq. of the Code and the Women's Health and Cancer Rights Act of 1998.

Every health insurance benefit plan that provides maternity coverage must comply with Section [27-48-1](#), et seq. of the Code and the Newborn's and Mother's Health Protection Act of 1996.

Certain health benefit plans shall offer to include coverage for annual screening for the early detection of prostate cancer in men over age 40 per Section [27-58-1](#), et seq. of the Code.

Certain health benefit plans shall offer to cover chiropractic services per Section [27-59-1](#), et seq. of the Code.

A. Individual Health

All individual health policies must contain in substance the following provisions except those inapplicable or inconsistent with the coverage provided by a particular form of policy:

1. An **entire contract** clause and change in policy clause per Section [27-19-4](#) of the Code. This policy, including the endorsements and the attached papers, if any, constitutes the entire contract of insurance. No change in this policy shall be valid until approved by an executive

officer of the insurer and unless such approval be endorsed hereon or attached hereto. No agent has authority to change this policy or to waive any of its provisions."

2. A **time limit on defenses** provision per Section [27-19-5](#) of the Code.

After two years from the date of issue of this policy, no misstatements, except fraudulent misstatements, made by the applicant in the application for such policy shall be used to void the policy or to deny a claim for loss incurred or disability (as defined in the policy) commencing after the expiration of such two-year period."

(The foregoing policy provision shall not be so construed as to affect any legal requirement for avoidance of a policy or denial of a claim during such initial two-year period nor to limit the application of Sections [27-19-17](#) through [27-19-21](#) in the event of misstatement with respect to age or occupation or other insurance.)

(A policy which the insured has the right to continue in force subject to its terms by the timely payment of premium:

(1) Until at least age 50; or

(2) In the case of a policy issued after age 44, for at least five years from its date of issue may contain in lieu of the foregoing the following provision, from which the clause in parentheses may be omitted at the insurer's option, under the caption "Incontestable":

"After this policy has been in force for a period of two years during the lifetime of the insured, excluding any period during which the insured is disabled, it shall become incontestable as to the statements contained in the application.)"

"(2) No claim for loss incurred or disability (as defined in the policy) commencing after two years from the date of issue of this policy shall be reduced or denied on the ground that a disease or physical condition not excluded from coverage by name or specific description effective on the date of loss had existed prior to the effective date of coverage of this policy."

3. A **grace period** provision per Section [27-19-6](#) of the Code.

A grace period of _____ (insert a number not less than '7' for weekly premium policies, '10' for monthly premium policies and '31' for all other policies) days will be granted for the payment of each premium falling due after the first premium, during which grace period the policy shall continue in force."

A policy in which the insurer reserves the right to refuse any renewal shall have, at the beginning of the above provision,

"Unless not less than 30 days prior to the premium due date the insurer has delivered to the insured or has mailed to his last address as shown by the records of the insurer written notice of its intention not to renew this policy beyond the period for which the premium has been accepted."

4. A **reinstatement** provision per Section [27-19-7](#) of the Code.

If any renewal premium be not paid within the time granted the insured for payment, a subsequent acceptance of premium by the insurer or by any agent duly authorized by the insurer to accept such premium, without requiring in connection therewith an application for reinstatement, shall reinstate the policy; provided, however, that if the insurer or such agent requires an application for reinstatement and issues a conditional receipt for the premium tendered, the policy will be reinstated upon approval of such application by the insurer or, lacking such approval, upon the forty-fifth day following the date of such conditional receipt unless the insurer has previously notified the insured in writing of its disapproval of such application. The reinstated policy shall cover only loss resulting from such accidental injury as may be sustained after the date of reinstatement and loss due to such sickness as may begin more than 10 days after such date. In all other respects, the insured and the insurer shall have the same rights thereunder as they had under the policy immediately before the due date of the defaulted premium, subject to any provisions endorsed hereon or attached hereto in connection with the reinstatement. Any premium accepted in connection with a reinstatement shall be applied to a period for which premium has not been previously paid, but not to any period more than 60 days prior to the date of reinstatement."

The last sentence of the above provision may be omitted from any policy which the insured has the right to continue in force subject to its terms by the timely payment of premiums:

(1) Until at least age 50; or

(2) In the case of a policy issued after age 44, for at least five years from its date of issue.

5. A **notice of claim** provision per Section [27-19-8](#) of the Code.

Written notice of claim must be given to the insurer within 20 days after the occurrence or commencement of any loss covered by the policy, or as soon thereafter as is reasonably possible. Notice given by, or on behalf of, the insured or the beneficiary to the insurer at _____ (insert the location of such office as the insurer may designate for the purpose), or to any authorized agent of the insurer, with information sufficient to identify the insured, shall be deemed notice to the insurer."

In a policy providing a loss-of-time benefit which may be payable for at least two years, an insurer may, at its option, insert the following between the first and second sentences of the above provision:

"Subject to the qualifications set forth below, if the insured suffers loss of time on account of disability for which indemnity may be payable for at least two years, he shall, at least once in every six months after having given notice of the claim, give to the insurer notice of continuance of the disability, except in the event of legal incapacity. The period of six months following any filing of proof by the insured or any payment by the insurer on account of such claim or any denial of liability, in whole or in part, by the insurer shall be excluded in applying this provision. Delay in the giving of such notice shall not impair the insured's right to any indemnity which would otherwise have accrued during the period of six months preceding the date on which such notice is actually given."

6. A **claim forms for filing proof of loss** provision per Section [27-19-9](#) of the Code.
The insurer, upon receipt of a notice of claim, will furnish to the claimant such forms as are usually furnished by it for filing proofs of loss. If such forms are not furnished within 15 days after the giving of such notice, the claimant shall be deemed to have complied with the requirements of this policy as to proof of loss upon submitting, within the time fixed in the policy for filing proofs of loss, written proof covering the occurrence, the character and the extent of the loss for which claim is made.

7. A **proof of loss** provision per Section [27-19-10](#) of the Code.
Written proof of loss must be furnished to the insurer at its said office in case of claim for loss for which this policy provides any periodic payment contingent upon continuing loss within 90 days after the termination of the period for which the insurer is liable and, in case of claim for any other loss, within 90 days after the date of such loss. Failure to furnish such proof within the time required shall not invalidate nor reduce any claim if it was not reasonably possible to give proof within such time, provided such proof is furnished as soon as reasonably possible and in no event, except in the absence of legal capacity, later than one year from the time proof is otherwise required

8. A **time of payment of claims** provision per Section [27-19-11](#) of the Code.
Indemnities payable under this policy for any loss, other than loss for which this policy provides periodic payment, will be paid immediately upon receipt of due written proof of such loss. Subject to due written proof of loss, all accrued indemnities for loss for which this policy provides periodic payment will be paid _____ (insert period for payment which must not be less frequently than monthly) and any balance remaining unpaid upon the termination of liability will be paid immediately upon receipt of due written proof.

9. A **payment of claims** provision per Section [27-19-12](#) of the Code.
Indemnity for loss of life will be payable in accordance with the beneficiary designation and the provisions respecting such payment which may be prescribed herein and effective at the time of payment. If no such designation or provision is then effective, such indemnity shall be payable to the estate of the insured. Any other accrued indemnities unpaid at the insured's death may, at the option of the insurer, be paid either to such beneficiary or to such estate. All other indemnities will be payable to the insured."

The following provisions, or either of them, may be included with the foregoing provision at the option of the insurer:

"If any indemnity of this policy shall be payable to the estate of the insured or to an insured or beneficiary who is a minor or otherwise not competent to give a valid release, the insurer may pay such indemnity, up to an amount not exceeding \$ _____ (insert an amount which shall not exceed \$1,000.00), to any relative by blood or connection by marriage of the insured or beneficiary who is deemed by the insurer to be equitably entitled thereto. Any payment made by the insurer in good faith pursuant to this provision shall fully discharge the insurer to the extent of such payment."

"Subject to any written direction of the insured in the application or otherwise, all, or a portion of any, indemnities provided by this policy on account of hospital, nursing, medical or surgical services may, at the insurer's option and unless the insured requests otherwise in writing not later than the time of filing proof of such loss, be paid directly to the hospital or person rendering such services; but it is not required that the service be rendered by a particular hospital or person."

10. A **physical examination and autopsy** provision per Section [27-19-13](#) of the Code.
The insurer at its own expense shall have the right and opportunity to examine the person of the insured when, and as often as, it may reasonably require during the pendency of a claim hereunder and to make an autopsy in case of death where it is not forbidden by law.

11. A **legal actions** provision per Section [27-19-14](#) of the Code.
No action shall be brought to recover on this policy prior to the expiration of **60 days** after written proof of loss has been furnished in accordance with the requirements of this policy. No such action shall be brought after the expiration of **three years** after the time written proof of loss is required to be furnished.

12. A **change of beneficiary** provision per Section [27-19-15](#) of the Code.
Unless the insured makes an irrevocable designation of beneficiary, the right to change a beneficiary is reserved to the insured and the consent of the beneficiary, or beneficiaries, shall not be requisite to surrender or assignment of this policy or to any change of beneficiary, or beneficiaries, or to any other changes in this policy."
(The first clause of this provision, relating to the irrevocable designation of beneficiary, may be omitted at the insurer's option.)

13. An **inspection of policy (free look) statement** giving the insured 10 days from delivery to return the policy for a premium refund per Section [27-19-32](#) of the Code.
Every individual disability insurance policy, except single premium nonrenewable policies or contracts, issued for delivery in the State of Alabama shall have printed thereon, or attached thereto, a notice stating in substance that the person to whom the policy is issued shall be permitted to return the policy within **10 days** of its delivery to such purchaser and to have the premium paid refunded if, after examination of the policy, the purchaser is not satisfied with it for any reason. If a policyholder or purchaser, pursuant to such notice, returns the policy or contract to the insurer at its home or branch office or to the agent through whom it was purchased, it shall be void from the beginning and the parties shall be in the same position as if no policy or contract has been issued.

Only the following optional provisions may be included in individual health policies:

1. A **change of occupation** provision per Section [27-19-17](#) of the Code.
2. A **misstatement of age** provision per Section [27-19-18](#) of the Code.
3. An **other insurance with same insurer** provision per Section [27-19-19](#) of the Code.
4. An **insurance with other insurers: expense incurred** provision per Section [27-19-20](#) of the Code.
5. An **other insurance: other benefits** provision per Section [27-19-21](#) of the Code.
6. A **relation of earnings to insurance** provision per Section [27-19-22](#) of the Code.

7. An **unpaid premiums** provision per Section [27-19-23](#) of the Code.
8. A **conformity with state statutes** provision per Section [27-19-24](#) of the Code.
9. An **illegal occupation** provision per Section [27-19-25](#) of the Code.
10. An **intoxicants and narcotics** provision per Section [27-19-26](#) of the Code.

Projection Period for Individual Health Insurance:

According to NAIC Guidelines for Filing of Rates for Individual Health Insurance Forms (Model #134), assumptions applying to the future “period for which rates are computed” should be reasonable in relation to the circumstances. For example, if future rates of inflation are a major factor, the period of projection of such rates normally should be short, such as three to five years only. Other assumptions, however, may still appropriately apply over the entire future policy renewal period, particularly in cases where the basic rate structure is one of level premiums based on original issue age. All health insurance rate filings must comply with the requirements of the most recent CMS Unified Rate Review Instructions, NAIC Guidance Manuals, NAIC Model Acts, and the Code of Professional Conduct. Any deviation from applicable AAA Practice Notes should be identified and discussed.

For non-ACA (excepted benefit) plans only: The pre-existing condition definition (look-back) period should not exceed 5 years prior to the effective date of the policy and the pre-existing condition exclusion (look-forward) period should not exceed 2 years from the effective date of the policy.

B. Group and Blanket Health

Each **group health insurance policy** shall contain in substance the following provisions:

1. A copy of the application and statements deemed representations provision per Section [27-20-2 \(1\)](#) of the Code.
2. A provision that the insurer will furnish to the policyholder for delivery to each employee in summary form a statement (certificate) of the essential features of the coverage per Section [27-20-2 \(2\)](#) of the Code.
3. A provision that the original group insurance may add eligible new employees, or members or dependents in accordance with the terms of the policy per Section [27-20-2 \(3\)](#) of the Code.
4. Any legal action provision in a group health policy (except for blanket health forms) must comply with our Bulletin of [September 4, 2007](#), and Section [6-2-34](#) of the Code to have a minimum time of 60 days and maximum time of 6 years for commencement of legal action.

Group blanket disability policies shall contain in substance the following provisions:

1. An **entire contract** provision per Section [27-20-5\(1\)](#) of the Code.
2. A **notice of claim** provision per Section [27-20-5\(2\)](#) of the Code.
3. A **claim forms for filing proof of loss** provision per Section [27-20-5\(3\)](#) of the Code.
4. A **claim forms** for filing proof of loss for disability provision per Section [27-20-5\(3\)](#) of the

Code.

5. A **payment of claims** provision per Section [27-20-5\(4\)](#) of the Code.
6. A **physical examination and autopsy** provision per Section [27-20-5\(6\)](#) of the Code.
7. A **legal actions** provision per Section [27-20-5\(7\)](#) of the Code.

For non-ACA (excepted benefit) plans only: The pre-existing condition definition (look-back) period should not exceed 1 year prior to the effective date of the policy and the pre-existing condition exclusion (look-forward) period should not exceed 2 years from the effective date of the policy.

Any group health plan that provides coverage on an expense incurred basis must offer to provide benefits for expenses incurred in connection with the treatment of alcoholism per Section [27-20A-1](#), et seq. of the Code.

All small employer group insurance coverage must comply with Regulation Chapter [482-1-116](#) and filings should include a signed actuarial memorandum demonstrating compliance with the rating requirements of that Regulation.

Certain large group (51+ members) insurance coverage must offer to cover mental illness under terms and conditions that are no less extensive than physical illness per Section [27-54-1](#), et seq. of the Code and also comply with the Mental Health Parity and Addiction Act of 2008.

Certain group health benefit plans must offer to include colorectal cancer examinations within the coverage per Section [27-57-1](#), et seq. of the Code.

Prompt-pay law applies to group health coverage per our [ALA.CODE 27-1-17](#)

C. Credit Disability Insurance

All credit disability insurance must comply with our Regulation Chapter [482-1-117](#).

All credit disability insurance rates must comply with the State Banking Department's Regulation [155-2-2-.12](#)

An actuarial memorandum demonstrating equivalence to Banking Department prima facie rates must be filed with the policy.

D. Long Term Care Insurance

All long term care insurance coverage must comply with the Alabama long term care insurance policy minimum standards act found in Article 3 of Section [27-19-102](#), et seq. of the Code and Regulation Chapter [482-1-091](#), and additionally for Partnership Plans, Bulletin No. [2009-01](#), dated February 12, 2009.

E. Medicare Supplement Insurance

All Medicare supplement insurance policies must comply with the Alabama Medicare supplement minimum standards act found in Article 2 of Section [27-19-50](#), et seq. of the Code and Regulation Chapter [482-1-071](#).

F. Health Maintenance Organizations (HMO's)

All HMO forms and rates must be filed with this Department and comply with Section [27-21A-1](#), et seq. of the Code and Regulation Chapter [482-1-079](#).

G. Dental Service Corporations

All Dental Service plans must comply with [Article 12, Chapter 21, Title 22 of the Code](#).

H. Advertising

All health insurance advertisements must comply with Regulation Chapter [482-1-013](#).

All long-term care insurance advertisements must be filed with this Department per our Regulation Chapter [482-1-091-.21](#).

All Medicare supplement insurance advertisements must be filed for prior approval with this Department per our Regulation Chapter [482-1-071-19](#).

All life and annuity advertisements must comply with Regulation Chapter [482-1-132](#).

Contact Information

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BULLETIN NO. 2010-07

TO: All admitted insurers

FROM: Jim L. Ridling
Commissioner of Insurance *JLR*

DATE: May 17, 2010

EFFECTIVE: July 1, 2010

RE: Revision of SERFF™ filing fees and mandatory use of electronic funds transfer payments for SERFF™ filings

AMENDS: Bulletin dated April 1, 2007

RESCINDS: Bulletin dated April 30, 2003 (fees for property and casualty filings)
Bulletin dated November 1, 1994 (fees for life and disability/accident and health filings)

1. The Bulletin dated April 1, 2007, mandated use of SERFF™ (the System for Electronic Rate and Form Filings) for all rate and form filings in Alabama, effective November 1, 2007. That Bulletin strongly encouraged, but did not then mandate, use of electronic funds transfer (EFT) as a mode of paying filing fees. Since use of SERFF™ became mandatory, approximately 90% of the associated Alabama filing fees have been made by EFT. The Department of Insurance has determined that now requiring payment of fees by EFT will allow for faster review and disposition of filings, allow for more efficiency in the filing process, and will enhance the NAIC's Speed to Market initiatives in Alabama.

2. **Effective July 1, 2010, all fees relating to SERFF™ filings prescribed in the fee schedule set forth in paragraph (5) below must be made by EFT through SERFF™ and the Department will no longer accept fee payments by check or other non-EFT method.** Fee payment by EFT will remain optional and payment by check will be allowed through June 30, 2010.

3. Detailed information about implementing EFT, including an EFT Implementation Guide and the required agreement forms, is available at the SERFF™ Internet web-site (www.serff.com) or by contacting the SERFF Marketing Team at 816-783-8787 or by electronic mail at serffmktg@naic.org.

4. The requirements of the April 1, 2007, Bulletin remain in effect except to the extent specifically changed by this Bulletin.

EQUAL OPPORTUNITY EMPLOYER

5. The fee schedules set forth in the Bulletins dated November 1, 1994 (fees for life and disability/accident and health filings), and April 30, 2003 (fees for property and casualty filings), remain effective until June 30, 2010. **Effective July 1, 2010, the Bulletins dated November 1, 1994, and April 30, 2003, are rescinded and the following minimum fees will be charged for examination of the indicated filings:**

Property & Casualty Filing Fees:

Any property, casualty, marine and surety RATE filing.....	\$85.00
Any property, casualty, marine and surety RULE filing.....	\$85.00
Any COMBINATION RATE and RULE filing.....	\$85.00
Any property, casualty, wet marine, marine and title FORM filing (per form).....	\$50.00
Risk Retention Group and Purchasing Group Annual Registration.....	\$100.00

There is a maximum fee of \$3,500.00 per SERFF™ submission.

Exceptions to filing fees: Special rated risks, "A" rated filings, non-adoption of rating organization filings, rating organization membership filings, and responses to pending filings.

All Life & Disability (Accident & Health) Advertisements, Riders, and Amendments Filing Fees:

Each individual policy contract including revisions.....	\$50.00
Each group master policy or contract including revisions.....	\$50.00
Each individual or group certificate including revisions.....	\$50.00
Each rider, endorsement, amendment, etc.....	\$50.00
Each application, questionnaire, etc. that is made part of the policy.....	\$50.00
Each separate advertisement.....	\$50.00
Each Medicare Select Network Certification.....	\$75.00
Each Medicare Supplement, HMO or Long Term Care Rate Filing.....	\$50.00
Each rate filing made for informational purposes.....	\$50.00
Each form filing made for informational purposes.....	\$25.00

There is a maximum fee of \$3,500.00 per SERFF™ submission.

JLR/JFM/bc

Long-Term Care Rate Increase Consumer Letter Requirements

The Alabama Department of Insurance (“ALDOI”) is reviewing the renewal notice used to inform Alabamians of rate increases on Long Term Care policies. Our review is a result of the Department receiving complaints related to these rate increases in the past. We believe that many of these renewal notices are confusing to Alabamians and do not provide sufficient information for the affected policyholders. Therefore, we have developed the following guidelines.

The following items represent required information to be included in each respective Long-Term Care rate increase notice.

1. Name of Insured
2. Insured’s policy number, clearly identified as such
3. Rate increase as a percentage of the stated premium
4. Terms of renewal, (Which policies receive the increase? What is the definition of a class?)
5. Old premium rate
6. New premium rate
7. Payment mode
8. Projected date(s) for a premium rate increase
9. Results for non-payment of premium(s)? Cancellation?
10. Proposed alternatives to a rate increase
11. What percentage of the rate increase was requested by the Company, and what percentage did the Department allow?
12. Is there a general expectation of increased rates in the future?
13. Is there a rate increase plan?
14. Tax consequences
15. Is there an amendment or endorsement? If so, what to do with those items?

Please submit a copy of your draft notice via SERFF for our approval. We consider this notice to be a form that must be filed under the authority of Statute 27-14-8-(a) and such form may be disapproved if it contains inconsistent, ambiguous, or misleading language under the authority of Statute 27-14-9-(2).