

2760.0060 CREDIT ACCIDENT AND HEALTH INSURANCE RATES.

Subpart 1. **Initial prima facie rates.** Subject to the conditions and requirements in subpart 2 and part 2760.0090, the initial prima facie rates in this subpart meet the requirements of part 2760.0040 and are the maximum rates to be used without further proof of reasonableness until the effective date of any adjustment under part 2760.0080.

A. If premiums are payable on the basis of a premium rate per month per thousand of outstanding insured debt, the prima facie rate shall be computed according to one of the following tables:

Original Term of Coverage in Months	Premium Charge Based on Gross Insured Debt (Total of Payments) per \$1,000 per Month			
	14-Day		30-Day	
	Retro	Non-Retro	Retro	Non-Retro
1	-	-	-	-
2	-	-	-	-
3	5.95	3.60	3.55	1.55
4	5.32	3.36	3.48	1.68
5	4.80	3.13	3.30	1.67
6	4.37	2.91	3.11	1.66
7	4.03	2.73	2.93	1.63
8	3.71	2.56	2.76	1.58
9	3.48	2.40	2.60	1.54
10	3.25	2.27	2.45	1.47
11	3.05	2.17	2.33	1.43
12	2.89	2.06	2.23	1.37
13	2.74	1.97	2.13	1.34
14	2.61	1.89	2.04	1.29
15	2.49	1.81	1.95	1.26
16	2.38	1.74	1.88	1.22
17	2.28	1.68	1.81	1.19
18	2.19	1.62	1.75	1.15

19	2.12	1.57	1.68	1.12
20	2.05	1.52	1.64	1.10
21	1.97	1.48	1.59	1.07
22	1.91	1.44	1.54	1.04
23	1.85	1.40	1.50	1.02
24	1.80	1.36	1.46	1.00
25	1.75	1.33	1.42	0.98
26	1.70	1.30	1.39	0.97
27	1.66	1.26	1.36	0.95
28	1.62	1.24	1.32	0.93
29	1.59	1.21	1.31	0.92
30	1.55	1.19	1.28	0.90
31	1.52	1.17	1.25	0.89
32	1.48	1.15	1.22	0.87
33	1.45	1.13	1.20	0.86
34	1.42	1.11	1.18	0.85
35	1.39	1.09	1.16	0.84
36	1.37	1.07	1.15	0.83
37	1.35	1.05	1.13	0.82
38	1.32	1.04	1.11	0.81
39	1.30	1.03	1.10	0.80
40	1.28	1.01	1.07	0.80
41	1.26	1.00	1.06	0.79
42	1.24	0.99	1.05	0.77
43	1.22	0.97	1.03	0.76
44	1.20	0.96	1.02	0.76
45	1.19	0.94	1.00	0.75
46	1.17	0.94	0.99	0.74
47	1.15	0.93	0.98	0.74
48	1.14	0.91	0.97	0.73

49	1.13	0.91	0.96	0.72
50	1.11	0.90	0.95	0.72
51	1.10	0.89	0.94	0.71
52	1.09	0.88	0.93	0.71
53	1.07	0.87	0.92	0.70
54	1.06	0.86	0.91	0.70
55	1.05	0.85	0.90	0.69
56	1.04	0.85	0.89	0.69
57	1.03	0.84	0.88	0.68
58	1.02	0.83	0.88	0.68
59	1.01	0.82	0.87	0.67
60	1.00	0.82	0.86	0.67
61	0.99	0.81	0.85	0.67
62	0.98	0.80	0.85	0.66
63	0.98	0.80	0.84	0.66
64	0.97	0.79	0.83	0.66
65	0.96	0.79	0.83	0.65
66	0.95	0.78	0.82	0.65
67	0.94	0.78	0.82	0.65
68	0.94	0.77	0.81	0.64
69	0.93	0.77	0.81	0.64
70	0.92	0.76	0.80	0.64
71	0.91	0.76	0.80	0.63
72	0.91	0.75	0.79	0.63
73	0.90	0.75	0.79	0.63
74	0.90	0.74	0.78	0.63
75	0.89	0.74	0.78	0.62
76	0.88	0.74	0.77	0.62
77	0.88	0.73	0.77	0.62
78	0.87	0.73	0.76	0.62

79	0.87	0.73	0.76	0.62
80	0.86	0.72	0.76	0.61
81	0.86	0.72	0.75	0.61
82	0.85	0.72	0.75	0.61
83	0.85	0.71	0.74	0.60
84	0.84	0.71	0.74	0.60
85	0.83	0.70	0.74	0.60
86	0.83	0.70	0.73	0.60
87	0.83	0.70	0.73	0.60
88	0.82	0.70	0.73	0.60
89	0.82	0.69	0.72	0.59
90	0.81	0.69	0.72	0.59
91	0.81	0.69	0.72	0.59
92	0.80	0.68	0.71	0.59
93	0.80	0.68	0.71	0.59
94	0.80	0.68	0.71	0.59
95	0.79	0.68	0.70	0.58
96	0.79	0.67	0.70	0.58
97	0.79	0.67	0.70	0.58
98	0.78	0.67	0.70	0.58
99	0.78	0.67	0.69	0.58
100	0.78	0.67	0.69	0.58
101	0.77	0.66	0.69	0.57
102	0.77	0.66	0.69	0.57
103	0.77	0.66	0.68	0.57
104	0.76	0.66	0.68	0.57
105	0.76	0.65	0.68	0.57
106	0.76	0.65	0.68	0.57
107	0.75	0.65	0.67	0.57
108	0.75	0.65	0.67	0.57

109	0.75	0.65	0.67	0.56
110	0.74	0.64	0.67	0.56
111	0.74	0.64	0.67	0.56
112	0.74	0.64	0.66	0.56
113	0.74	0.64	0.66	0.56
114	0.73	0.64	0.66	0.56
115	0.73	0.63	0.66	0.56
116	0.73	0.63	0.66	0.56
117	0.73	0.63	0.65	0.56
118	0.72	0.63	0.65	0.55
119	0.72	0.63	0.65	0.55
120	0.72	0.63	0.65	0.55
Composite Term	1.55	1.19	1.28	0.90

Premium Charge Based on Net Insured Debt
(Outstanding Loan Balance) per \$1,000 per Month

Original Term of Coverage in Months	14-Day		30-Day	
	Retro	Non-Retro	Retro	Non-Retro
1	-	-	-	-
2	-	-	-	-
3	6.03	3.65	3.60	1.57
4	5.41	3.42	3.54	1.71
5	4.89	3.19	3.36	1.70
6	4.47	2.98	3.18	1.69
7	4.13	2.79	3.00	1.67
8	3.81	2.63	2.83	1.62
9	3.59	2.47	2.68	1.59
10	3.36	2.35	2.54	1.52
11	3.16	2.25	2.42	1.49

12	3.01	2.14	2.32	1.42
13	2.86	2.05	2.22	1.40
14	2.73	1.98	2.13	1.35
15	2.61	1.90	2.04	1.32
16	2.50	1.83	1.98	1.29
17	2.40	1.77	1.91	1.25
18	2.31	1.71	1.85	1.21
19	2.25	1.66	1.78	1.19
20	2.17	1.62	1.74	1.16
21	2.10	1.58	1.69	1.14
22	2.04	1.54	1.64	1.11
23	1.98	1.50	1.61	1.09
24	1.93	1.46	1.57	1.07
25	1.89	1.43	1.53	1.06
26	1.84	1.40	1.50	1.05
27	1.79	1.37	1.47	1.03
28	1.76	1.35	1.44	1.01
29	1.73	1.32	1.42	1.00
30	1.69	1.29	1.39	0.99
31	1.66	1.28	1.37	0.98
32	1.62	1.26	1.34	0.96
33	1.59	1.24	1.32	0.95
34	1.56	1.22	1.30	0.94
35	1.54	1.21	1.28	0.93
36	1.52	1.19	1.27	0.92
37	1.50	1.17	1.25	0.91
38	1.47	1.16	1.23	0.90
39	1.45	1.14	1.22	0.89
40	1.43	1.13	1.20	0.89
41	1.41	1.12	1.19	0.88

42	1.40	1.11	1.18	0.87
43	1.38	1.10	1.16	0.86
44	1.36	1.09	1.15	0.86
45	1.35	1.07	1.14	0.85
46	1.34	1.06	1.13	0.85
47	1.32	1.05	1.12	0.84
48	1.30	1.05	1.11	0.84
49	1.29	1.04	1.10	0.83
50	1.28	1.03	1.10	0.83
51	1.27	1.02	1.09	0.82
52	1.26	1.02	1.07	0.82
53	1.24	1.01	1.06	0.81
54	1.23	1.00	1.06	0.81
55	1.22	0.99	1.05	0.81
56	1.21	0.99	1.04	0.80
57	1.21	0.98	1.03	0.80
58	1.20	0.98	1.03	0.80
59	1.18	0.97	1.02	0.79
60	1.18	0.96	1.02	0.79
61	1.17	0.96	1.01	0.79
62	1.17	0.95	1.00	0.79
63	1.16	0.95	1.00	0.78
64	1.15	0.95	0.99	0.78
65	1.14	0.94	0.99	0.78
66	1.14	0.94	0.99	0.78
67	1.13	0.93	0.98	0.78
68	1.13	0.93	0.98	0.77
69	1.12	0.93	0.97	0.77
70	1.11	0.92	0.97	0.77
71	1.11	0.92	0.97	0.77

72	1.10	0.92	0.96	0.77
73	1.10	0.91	0.96	0.77
74	1.09	0.91	0.95	0.77
75	1.09	0.91	0.95	0.76
76	1.08	0.91	0.95	0.76
77	1.08	0.90	0.95	0.76
78	1.07	0.90	0.94	0.76
79	1.07	0.90	0.94	0.76
80	1.07	0.89	0.94	0.76
81	1.06	0.89	0.93	0.76
82	1.06	0.89	0.93	0.76
83	1.06	0.89	0.93	0.76
84	1.05	0.89	0.93	0.75
85	1.05	0.88	0.93	0.75
86	1.04	0.88	0.92	0.75
87	1.04	0.88	0.92	0.75
88	1.04	0.88	0.92	0.75
89	1.04	0.88	0.92	0.75
90	1.03	0.88	0.92	0.75
91	1.03	0.87	0.91	0.75
92	1.03	0.87	0.91	0.75
93	1.03	0.87	0.91	0.75
94	1.02	0.87	0.91	0.75
95	1.02	0.87	0.91	0.75
96	1.02	0.87	0.91	0.75
97	1.02	0.87	0.90	0.75
98	1.01	0.87	0.90	0.75
99	1.01	0.86	0.90	0.75
100	1.01	0.87	0.90	0.75
101	1.01	0.86	0.90	0.75

102	1.01	0.86	0.90	0.75
103	1.00	0.86	0.90	0.75
104	1.00	0.86	0.90	0.75
105	1.00	0.86	0.89	0.75
106	1.00	0.86	0.89	0.75
107	1.00	0.86	0.89	0.75
108	1.00	0.86	0.89	0.75
109	0.99	0.86	0.89	0.75
110	0.99	0.86	0.89	0.75
111	0.99	0.86	0.89	0.75
112	0.99	0.86	0.89	0.75
113	0.99	0.86	0.89	0.75
114	0.99	0.86	0.89	0.75
115	0.99	0.86	0.89	0.75
116	0.98	0.86	0.89	0.75
117	0.98	0.85	0.89	0.75
118	0.98	0.85	0.89	0.75
119	0.98	0.86	0.89	0.75
120	0.98	0.85	0.88	0.75
Composite Term	1.69	1.29	1.39	0.99

B. If premiums are payable on a single-premium basis for the duration of the coverage, the prima facie rate shall be computed according to the following table:

Original Term of Coverage in Months	Premium Charge Based on Gross Insured Debt (Total of Payments) per \$100 per Term			
	14-Day		30-Day	
	Retro	Non-Retro	Retro	Non-Retro
1	0.40*	0.13*	0.00*	0.00*
2	0.87*	0.46*	0.43*	0.13*
3	1.19	0.72	0.71	0.31

4	1.33	0.84	0.87	0.42
5	1.44	0.94	0.99	0.50
6	1.53	1.02	1.09	0.58
7	1.61	1.09	1.17	0.65
8	1.67	1.15	1.24	0.71
9	1.74	1.20	1.30	0.77
10	1.79	1.25	1.35	0.81
11	1.83	1.30	1.40	0.86
12	1.88	1.34	1.45	0.89
13	1.92	1.38	1.49	0.94
14	1.96	1.42	1.53	0.97
15	1.99	1.45	1.56	1.01
16	2.02	1.48	1.60	1.04
17	2.05	1.51	1.63	1.07
18	2.08	1.54	1.66	1.09
19	2.12	1.57	1.68	1.12
20	2.15	1.60	1.72	1.15
21	2.17	1.63	1.75	1.18
22	2.20	1.66	1.77	1.20
23	2.22	1.68	1.80	1.22
24	2.25	1.70	1.83	1.25
25	2.28	1.73	1.85	1.28
26	2.30	1.75	1.88	1.31
27	2.32	1.77	1.90	1.33
28	2.35	1.80	1.92	1.35
29	2.38	1.82	1.96	1.38
30	2.40	1.84	1.98	1.40
31	2.43	1.87	2.00	1.43
32	2.44	1.89	2.02	1.44
33	2.46	1.92	2.04	1.47

34	2.48	1.94	2.07	1.49
35	2.51	1.97	2.09	1.51
36	2.53	1.98	2.12	1.53
37	2.56	2.00	2.14	1.56
38	2.58	2.03	2.16	1.58
39	2.60	2.05	2.19	1.60
40	2.62	2.07	2.20	1.63
41	2.64	2.09	2.22	1.65
42	2.67	2.12	2.25	1.66
43	2.69	2.14	2.27	1.68
44	2.71	2.16	2.29	1.71
45	2.74	2.17	2.31	1.73
46	2.76	2.20	2.33	1.75
47	2.77	2.22	2.35	1.77
48	2.79	2.24	2.38	1.79
49	2.82	2.27	2.40	1.81
50	2.84	2.29	2.43	1.84
51	2.86	2.31	2.45	1.85
52	2.88	2.33	2.46	1.88
53	2.90	2.35	2.48	1.89
54	2.92	2.37	2.51	1.92
55	2.94	2.39	2.53	1.94
56	2.96	2.42	2.55	1.96
57	2.99	2.43	2.56	1.98
58	3.01	2.46	2.59	2.00
59	3.02	2.47	2.61	2.02
60	3.05	2.49	2.63	2.04
61	3.07	2.51	2.65	2.07
62	3.10	2.53	2.67	2.09
63	3.12	2.56	2.69	2.11

64	3.14	2.58	2.71	2.13
65	3.16	2.60	2.74	2.15
66	3.18	2.62	2.76	2.17
67	3.20	2.64	2.78	2.20
68	3.23	2.66	2.80	2.22
69	3.25	2.69	2.82	2.24
70	3.27	2.71	2.84	2.26
71	3.29	2.73	2.87	2.28
72	3.31	2.75	2.89	2.30
73	3.33	2.77	2.91	2.33
74	3.36	2.79	2.93	2.35
75	3.38	2.82	2.95	2.37
76	3.40	2.84	2.97	2.39
77	3.42	2.86	3.00	2.41
78	3.44	2.88	3.02	2.43
79	3.46	2.90	3.04	2.46
80	3.48	2.92	3.06	2.48
81	3.51	2.94	3.08	2.50
82	3.53	2.97	3.10	2.52
83	3.55	2.99	3.12	2.54
84	3.57	3.01	3.15	2.56
85	3.59	3.03	3.17	2.58
86	3.61	3.05	3.19	2.61
87	3.64	3.07	3.21	2.63
88	3.66	3.10	3.23	2.65
89	3.68	3.12	3.25	2.67
90	3.70	3.14	3.28	2.69
91	3.72	3.16	3.30	2.71
92	3.74	3.18	3.32	2.74
93	3.77	3.20	3.34	2.76

94	3.79	3.23	3.36	2.78
95	3.81	3.25	3.38	2.80
96	3.83	3.27	3.41	2.82
97	3.85	3.29	3.43	2.84
98	3.87	3.31	3.45	2.87
99	3.90	3.33	3.47	2.89
100	3.92	3.36	3.49	2.91
101	3.94	3.38	3.51	2.93
102	3.96	3.40	3.54	2.95
103	3.98	3.42	3.56	2.97
104	4.00	3.44	3.58	3.00
105	4.02	3.46	3.60	3.02
106	4.05	3.48	3.62	3.04
107	4.07	3.51	3.64	3.06
108	4.09	3.53	3.66	3.08
109	4.11	3.55	3.69	3.10
110	4.13	3.57	3.71	3.12
111	4.15	3.59	3.73	3.15
112	4.18	3.61	3.75	3.17
113	4.20	3.64	3.77	3.19
114	4.22	3.66	3.79	3.21
115	4.24	3.68	3.82	3.23
116	4.26	3.70	3.84	3.25
117	4.28	3.72	3.86	3.28
118	4.31	3.74	3.88	3.30
119	4.33	3.77	3.90	3.32
120	4.35	3.79	3.92	3.34

* To be used for refunding premiums only.

C. If the coverage provided is a constant maximum indemnity for a given period of time, the rate shall be computed according to a formula approved by the commissioner which produces rates actuarially consistent with the rates in item A or B.

D. If the coverage provided is a combination of a constant maximum indemnity for a given period of time after which the maximum indemnity begins to decrease in even amounts per month, the rate shall be computed according to a formula approved by the commissioner that produces rates actuarially consistent with the rates in item A or B.

E. If the accident and health coverage is sold on a joint basis, involving two debtors, the rate for the joint coverage shall be 180 percent of the applicable single rate.

F. If the insurer provides benefits more restrictive than specified in subpart 2, the insurer must file and use rates that are actuarially equivalent, and must receive approval from the commissioner as meeting the requirements of part 2760.0040 before use. If the insurer provides benefits less restrictive than subpart 2, the insurer shall either use the rates specified or rates that are actuarially equivalent, in which case the insurer must receive approval from the commissioner as meeting the requirements of part 2760.0040 before use.

Subp. 2. **Application to certain contracts.** Premium rates in subpart 1 apply to contracts providing accident and health insurance that are offered to all eligible debtors and that conform to the following provisions.

A. Coverage for disability by whatever means caused, unless coverage excludes disabilities resulting from:

- (1) normal pregnancy;
- (2) war or any act of war;
- (3) intentionally self-inflicted injury;
- (4) foreign travel or residence;
- (5) flight in any aircraft other than a commercial scheduled aircraft; and
- (6) a preexisting condition from which the insured debtor becomes disabled within six months after the effective date of coverage.

B. A definition of disability providing that for the first 12 months of a disability, total disability shall be defined as the inability to perform the essential functions of the insured's own occupation. Thereafter, it shall mean the inability of the insured to perform the essential functions of any occupation for which the insured is reasonably suited by virtue of education, training, or experience.

C. An employment requirement that is no more restrictive than one requiring that the debtor be employed full time on the effective date of coverage and for at least 12 consecutive months before the effective date of coverage. "Full time" means a regular work week of not less than 30 hours.

D. An age restriction providing that no insurance will become effective on debtors on or after the attainment of age 70 and that all insurance will terminate upon attainment by the debtor of age 70.

E. A daily benefit of not less than 1/30th of the monthly benefit payable under the policy.

F. The insurer does not require evidence of individual insurability if the initial amount financed or open-end credit account limit available is \$15,000 or less and the applicant elects to purchase coverage within 30 days of the effective date of the indebtedness.

Subp. 3. Other reasonable rates.

A. If the insurer uses a form that does not exclude preexisting conditions, a rate equal to 105 percent of the prima facie rate shall be considered reasonable.

B. If the insurer, its agent, or the application form for credit accident and health insurance requests or requires that the debtor provide evidence of individual insurability and the initial amount financed or open-end credit account limit available is above \$15,000 or the applicant elects to purchase coverage more than 30 days after the effective date of the indebtedness, then the premium rates considered reasonable will be the prima facie rates in subpart 1. For policies insuring open-end lines of credit, the insurer may require evidence of individual insurability for advances which increase the outstanding debt above \$15,000.

Subp. 4. Insurance application forms. Insurers' use of the same application forms for credit life and credit accident and health insurance is permitted whether or not the underwriting questions are asked pursuant to subpart 3.

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