



ADMINISTRATIVE RULES OF MONTANA

6.6.1103 CREDIT DISABILITY INSURANCE--ACCEPTABLE RATES

- (1) Except as may otherwise be provided in this sub-chapter, the rates provided in this rule for credit disability insurance may be considered as "prima facie acceptable rates" for the purposes of 33-21-205, MCA. Rates which are filed by any company for the indicated coverage will be considered acceptable without substantiating data if they do not exceed these premium rates.
- (2) If premiums are paid in one sum for the entire duration of the indebtedness, the following rates for \$100 of initial indebtedness repayable in the indicated number of installments are applicable.

Number of months in which indebtedness <u>is repayable</u>	Nonretroactive			Retroactive Benefits		
	Elimination Period			Waiting Period		
	<u>7-day</u>	<u>14-day</u>	<u>30-day</u>	<u>7-day</u>	<u>14-day</u>	<u>30-day</u>
6 or less	\$1.55	\$1.03	\$0.41	\$2.16	\$1.85	\$1.34
7	1.61	1.09	0.47	2.22	1.91	1.40
8	1.67	1.15	0.53	2.28	1.97	1.46
9	1.73	1.21	0.59	2.34	2.03	1.52
10	1.79	1.27	0.65	2.40	2.09	1.58
11	1.85	1.33	0.71	2.46	2.15	1.64
12	1.91	1.39	0.77	2.52	2.21	1.70
13	1.96	1.45	0.83	2.58	2.27	1.76
14	2.01	1.51	0.89	2.64	2.33	1.82
15	2.06	1.57	0.95	2.70	2.39	1.88
16	2.11	1.63	1.01	2.76	2.45	1.94
17	2.16	1.69	1.07	2.82	2.51	2.00
18	2.21	1.75	1.13	2.88	2.58	2.06
19	2.27	1.81	1.19	2.94	2.64	2.11
20	2.32	1.87	1.25	3.00	2.70	2.16

21	2.37	1.93	1.31	3.06	2.76	2.21
22	2.42	1.99	1.37	3.12	2.82	2.27
23	2.47	2.05	1.43	3.18	2.88	2.32
24	2.52	2.11	1.49	3.24	2.94	2.37
25	2.58	2.17	1.55	3.30	2.99	2.42
26	2.63	2.23	1.61	3.36	3.04	2.47
27	2.68	2.29	1.67	3.42	3.09	2.52
28	2.73	2.35	1.73	3.48	3.14	2.58
29	2.78	2.41	1.79	3.54	3.19	2.63
30	2.83	2.47	1.85	3.61	3.24	2.68
31	2.88	2.53	1.91	3.66	3.30	2.73
32	2.94	2.59	1.96	3.71	3.35	2.78
33	2.99	2.65	2.01	3.76	3.40	2.83
34	3.04	2.71	2.06	3.81	3.45	2.88

Number of months in which indebtedness is repayable	Nonretroactive Elimination Period			Retroactive Benefits Waiting Period		
	<u>7-day</u>	<u>14-day</u>	<u>30-day</u>	<u>7-day</u>	<u>14-day</u>	<u>30-day</u>
35	\$3.09	\$2.77	\$2.11	\$3.86	\$3.50	\$2.94
36	3.14	2.83	2.16	3.91	3.55	2.99
37	3.19	2.88	2.21	3.96	3.61	3.04
38	3.24	2.94	2.27	4.00	3.66	3.09
39	3.30	2.99	2.32	4.04	3.71	3.14
40	3.35	3.04	2.37	4.09	3.76	3.19
41	3.40	3.09	2.42	4.13	3.81	3.24
42	3.45	3.14	2.47	4.17	3.86	3.30
43	3.49	3.18	2.51	4.21	3.91	3.35
44	3.54	3.23	2.56	4.26	3.95	3.40

45	3.58	3.27	2.60	4.30	3.99	3.45
46	3.62	3.31	2.64	4.34	4.03	3.50
47	3.67	3.36	2.69	4.39	4.08	3.55
48	3.71	3.40	2.73	4.43	4.12	3.61
49	3.75	3.44	2.77	4.46	4.16	3.65
50	3.79	3.48	2.82	4.50	4.21	3.69
51	3.84	3.53	2.86	4.53	4.25	3.73
52	3.88	3.57	2.90	4.57	4.29	3.78
53	3.92	3.61	2.94	4.60	4.33	3.82
54	3.97	3.66	2.99	4.64	4.38	3.86
55	4.00	3.69	3.02	4.67	4.41	3.91
56	4.04	3.73	3.06	4.70	4.45	3.95
57	4.07	3.76	3.09	4.74	4.48	3.99
58	4.11	3.79	3.12	4.77	4.51	4.03
59	4.15	3.83	3.16	4.81	4.55	4.08
60	4.18	3.86	3.19	4.84	4.58	4.12
61	4.22	3.90	3.23	4.88	4.62	4.15
62	4.26	3.93	3.26	4.91	4.65	4.19
63	4.31	3.97	3.30	4.94	4.69	4.22
64	4.35	4.00	3.33	4.98	4.72	4.26
65	4.39	4.03	3.36	5.01	4.76	4.29
66	4.43	4.07	3.40	5.05	4.79	4.33
67	4.45	4.09	3.43	5.08	4.82	4.35
68	4.48	4.12	3.47	5.12	4.86	4.38
69	4.51	4.15	3.50	5.15	4.89	4.40
70	4.53	4.17	3.54	5.18	4.93	4.43
71	4.56	4.20	3.57	5.22	4.96	4.45

Number of months in which indebtedness <u>is repayable</u>	Nonretroactive Elimination Period			Retroactive Benefits Waiting Period		
	7-day	14-day	30-day	7-day	14-day	30-day
72	\$4.58	\$4.22	\$3.61	\$5.25	\$5.00	\$4.48

73	4.61	4.25	3.63	5.28	5.02	4.51
74	4.64	4.27	3.66	5.30	5.05	4.53
75	4.66	4.30	3.68	5.33	5.07	4.56
76	4.69	4.33	3.71	5.36	5.10	4.58
77	4.71	4.35	3.73	5.38	5.12	4.61
78	4.74	4.38	3.76	5.41	5.15	4.64
79	4.76	4.40	3.79	5.43	5.18	4.66
80	4.79	4.43	3.81	5.46	5.20	4.69
81	4.82	4.45	3.84	5.48	5.23	4.71
82	4.84	4.48	3.86	5.51	5.25	4.74
83	4.87	4.51	3.89	5.54	5.28	4.76
84	4.89	4.53	3.91	5.56	5.30	4.79
85	4.92	4.56	3.94	5.59	5.33	4.82
86	4.94	4.58	3.97	5.61	5.36	4.84
87	4.97	4.61	3.99	5.64	5.38	4.87
88	5.00	4.64	4.02	5.67	5.41	4.89
89	5.02	4.66	4.04	5.69	5.43	4.92
90	5.05	4.69	4.07	5.72	5.46	4.94
91	5.06	4.71	4.09	5.73	5.48	4.97
92	5.08	4.74	4.10	5.75	5.49	5.00
93	5.10	4.76	4.12	5.77	5.51	5.02
94	5.12	4.79	4.14	5.79	5.53	5.05
95	5.13	4.82	4.15	5.80	5.54	5.07
96	5.15	4.84	4.17	5.82	5.56	5.10
97	5.17	4.86	4.19	5.84	5.58	5.12
98	5.18	4.88	4.21	5.85	5.60	5.13
99	5.20	4.89	4.22	5.87	5.61	5.15
100	5.22	4.91	4.24	5.89	5.63	5.17
101	5.24	4.93	4.26	5.91	5.65	5.18
102	5.25	4.94	4.27	5.92	5.67	5.20
103	5.27	4.96	4.29	5.94	5.68	5.22
104	5.29	4.98	4.31	5.96	5.70	5.24
105	5.30	5.00	4.33	5.97	5.72	5.25

106	5.32	5.01	4.34	5.99	5.73	5.27
107	5.34	5.03	4.36	6.01	5.75	5.29
108	5.36	5.05	4.38	6.03	5.77	5.30

Number of months in which indebtedness is repayable	Nonretroactive			Retroactive Benefits		
	Elimination Period			Waiting Period		
	<u>7-day</u>	<u>14-day</u>	<u>30-day</u>	<u>7-day</u>	<u>14-day</u>	<u>30-day</u>
109	\$5.37	\$5.06	\$4.39	\$6.04	\$5.79	\$5.32
110	5.39	5.08	4.41	6.06	5.80	5.34
111	5.41	5.10	4.43	6.08	5.82	5.36
112	5.42	5.12	4.45	6.09	5.84	5.37
113	5.44	5.13	4.46	6.11	5.85	5.39
114	5.46	5.15	4.48	6.13	5.87	5.41
115	5.47	5.16	4.49	6.14	5.88	5.42
116	5.48	5.17	4.50	6.15	5.89	5.42
117	5.48	5.18	4.51	6.15	5.90	5.43
118	5.49	5.18	4.51	6.16	5.91	5.44
119	5.50	5.19	4.52	6.17	5.91	5.45
120	5.51	5.20	4.53	6.18	5.92	5.46

(3) If premiums are paid on the basis of a premium rate per month per \$1,000 of outstanding insured gross debt, this premium rate must be computed according to the following formula or according to a formula approved by the commissioner which produces a rate actuarially consistent with the applicable single premium rate in (2):

$$OP_n = \frac{10SP_n}{\sum_{t=1}^n \left[v^{t-1} \times \frac{(n-t+1)}{n} \right]}$$

$$v = \frac{1}{1+(dis)}$$

SP_n = Single premium rate per \$100 of initial insured debt repayable in n equal monthly installments as shown in (2).

OP_n = Monthly outstanding balance premium rate per \$1,000.

n = The number of months in the term of the insurance.

dis = .0033, representing an annual discount rate of 4% for interest.

(4) The premium rate for joint credit disability coverage shall not exceed 1.8 times the permitted single credit disability rate.

(5) Premiums for credit disability insurance which are payable on a basis not specified in this rule or which cover benefits on a basis not specified in this rule must be actuarially consistent with the rates specified in this rule.

(6) An insurer may at any time charge a rate which is less than the basic maximum rate set forth above in this section.

Authorizing statute(s): 33-21-111, MCA

Implementing statute(s): 33-21-205, MCA

History: NEW, Eff. 4/4/75; AMD, 1978 MAR p. 887, Eff. 10/15/78; AMD, 1993 MAR p. 2764, Eff. 11/25/93; AMD, 1996 MAR p. 1646, Eff. 6/21/96.