

# Iowa Code 513C Actuarial Certification

Carrier: \_\_\_\_\_

Submission: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

I hereby certify that to the best of my knowledge and belief the above submission conforms to generally accepted actuarial principles, standards and guidelines, and that the premiums comply with the rate restrictions in Iowa Code §513C.5 and Iowa Administrative Code 191-75.6(1)\*.

Signature of qualified actuary: \_\_\_\_\_

Name (typed or printed): \_\_\_\_\_

Title or business affiliation: \_\_\_\_\_

Date: \_\_\_\_\_

\* Individual health reform limits the rate increase differential between blocks of business written after April 1, 1996 to 15%, and the base rate differential between these blocks of business to no more than 2.028 : 1 after actuarial adjustments are made for benefit differences and rating characteristics. **The rating restrictions (2.028 : 1 and 15%) apply to blocks of business, however, testing for compliance can be done at the individual level. The ultimate test of compliance is to assure that every policy holder / certificate holder has a premium rate that is no more than double anyone else's premium rate after factors such as age, sex, benefit differences, smoker status, and geography are accounted for or neutralized.**

It also requires following restrictions for the guaranteed issue basic and standard plans (B&S):

*For policies issued prior to 1-1-02, the B&S rates can be no more than 1.741 times higher than the lowest priced block after actuarial adjustments are made for benefit differences.*

*For policies issued on or after 1-1-02, the B&S multiplier is 2.028.*

A thorough review of the law, bulletins, and the Rating Compliance Guidelines should be made prior to signing this certification.

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