

Medicare Supplement May UW Medicare Supp Rate Adjustments California



3/10/10

RATES

California Premiums Changing to Unisex

California has passed regulation (California Regulation AB 119, Chapter 165) that Medicare supplement rates can no longer vary by gender beginning 1/1/2011. As part of the 2010 rate adjustment filings, unisex rates were filed to bring us into compliance with this regulation and will be effective 05/01/2010.

The impact on the United World Medicare supplement product is as follows:

- Effective 05/01/2010, new business will be unisex rates only. Gender rates will no longer be available for sale. Apps dated prior to 5/1/2010 must be in the home office no later than 5/30/2010 to receive the gender rate. Effective June 1, 2010, underwriting will replace apps with gender rates with the 2010 Modernized unisex rates.
- Renewals - Effective 05/01/2010, policies inforce with a gender rate will start renewing to the unisex rate. Policyholders will be converted during the rate-up process. An explanation will be included in the rate increase notification letters (see below) informing the policyholder that rates may no longer vary by gender. All policyholders should be converted to a unisex rate by May of 2011.

The following rate adjustments are on 1990 Standardized Plans only.

Effective on **base rates** for **New and inforce business** for **United World Medicare supplement in California** as of **May 1, 2010**, the following rate adjustments by plan will be effective:

United World Medicare Supplement – 1990 Standardized Plans New and Inforce Business					
State	Rate Adjustment				
	Plan A	Plan B	Plan F	Plan G	Plan J
CA	15%	15%	15%	15%	10%

The overall increase (rate increase and conversion to unisex) is shown in the table below.

United World Medicare Supplement – 1990 Standardized Plans New and Inforce Business					
Gender	Rate Adjustment				
	Plan A	Plan B	Plan F	Plan G	Plan J
Male	6.5%	6.5%	6.5%	6.5%	1.9%
Female	22.4%	22.4%	22.4%	22.4%	17%

Letters to the insureds regarding these rate adjustments will be mailed soon.

If you have questions, please call Sales Support at (800) 693-6083.