

2748.0030 CONDITIONS.

Subpart 1. **Plans with separate smoker/nonsmoker rates.** For each plan of insurance with separate rates for smokers and nonsmokers, an insurer may use:

A. composite mortality tables to determine minimum reserve liabilities and minimum cash surrender values and amounts of paid-up nonforfeiture benefits;

B. smoker and nonsmoker mortality tables to determine the valuation net premiums and additional minimum reserves, if any, required by Minnesota Statutes, section 61A.25, subdivision 7, and use composite mortality tables to determine the basic minimum reserves, minimum cash surrender values, and amounts of paid-up nonforfeiture benefits; or

C. smoker and nonsmoker mortality to determine minimum reserve liabilities and minimum cash surrender values and amounts of paid-up nonforfeiture benefits.

Subp. 2. **Plans without separate smoker/nonsmoker rates.** For plans of insurance without separate rates for smokers and nonsmokers, the composite mortality tables must be used.

Subp. 3. **Use of table for determining minimum reserve liabilities and minimum cash surrender values.** For the purpose of determining minimum reserve liabilities and minimum cash surrender values and amounts of paid-up nonforfeiture benefits, the 2001 CSO Mortality Table may, at the option of the company for each plan of insurance, be used in its ultimate or select and ultimate form, subject to the restrictions of parts 2747.0030, 2747.0040, 2747.0050, and 2748.0040 relative to use of the select and ultimate form.

Subp. 4. **Table as minimum reserve standard; actuarial opinion.** When the 2001 CSO Mortality Table is the minimum reserve standard for any plan for a company, the actuarial opinion in the annual statement filed with the commissioner must be based on an asset adequacy analysis as specified in parts 2711.0230 to 2711.0240. The commissioner may exempt a company from this requirement if it only does business in this state and in no other state.

Statutory Authority: *MS s 45.023; 61A.24; 61A.25*

History: *28 SR 1039; 37 SR 1455*

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