

Part 2 Chapter 16: (2004-1) Recognition of the 2001 CSO Mortality Table for Use in Determining Minimum Reserve Liabilities and Nonforfeiture Benefits.

Rule 16.01: Authority

This regulation is promulgated by the Commissioner of Insurance pursuant to the authority granted to him in Miss. Code Ann § 83-7-23 (Rev. 1999) and § 83-7-25 (Rev. 1999); as well as the provisions of the Mississippi Department of Insurance Regulation No. 88-101, said regulation being the Rules of Practice and Procedures before the Mississippi Insurance Department.

Source: Miss. Code Ann. § 83-7-23 (Rev. 2011) and § 83-7-25 (Rev. 2011)

Rule 16.02: Purpose

The purpose of this regulation is to recognize, permit and prescribe the use of the 2001 Commissioners Standard Ordinary (CSO) Mortality Table in accordance with Miss. Code Ann. §§ 83-7-23(3)(a)(iii) and 83-7-25 (5-c)(h)(vi).

Source: Miss. Code Ann. §§ 83-7-23(3)(a)(iii) (Rev. 2011) and 83-7-25 (5-c)(h)(vi) (Rev. 2011)

Rule 16.03: Definitions

- A. “2001 CSO Mortality Table” means that mortality table, consisting of separate rates of mortality for male and female lives, developed by the American Academy of Actuaries CSO Task Force from the Valuation Basic Mortality Table developed by the Society of Actuaries Individual Life Insurance Valuation Mortality Task Force, and adopted by the NAIC in December 2002. The 2001 CSO Mortality Table is included in the Proceedings of the NAIC (2nd Quarter 2002). Unless the context indicates otherwise, the “2001 CSO Mortality Table” includes both the
 - B. ultimate form of that table and the select and ultimate form of that table and includes both the smoker and nonsmoker mortality tables and the composite mortality tables. It also includes both the age-nearest-birthday and age-last-birthday bases of the mortality tables.
- C. “2001 CSO Mortality Table (F)” means that mortality table consisting of the rates of mortality for female lives from the 2001 CSO Mortality Table.
- D. “2001 CSO Mortality Table (M)” means that mortality table consisting of the rates of mortality for male lives from the 2001 CSO Mortality Table.

- E. “Composite mortality tables” means mortality tables with rates of mortality that do not distinguish between smokers and nonsmokers.
- F. “Smoker and nonsmoker mortality tables” means mortality tables with separate rates of mortality for smokers and nonsmokers.

Source: Miss. Code Ann. §§83-7-23(3)(a)(iii) (Rev. 2011); 83-7-25 (5-c)(h)(vi) (Rev. 2011)

Rule 16.04: 2001 CSO Mortality Table

- A. At the election of the company for any one or more specified plans of insurance and subject to the conditions stated in this regulation, the 2001 CSO Mortality Table may be used as the minimum standard for policies issued on or after August 1, 2004, and before the date specified in Subsection B to which Miss. Code Ann. §§ 83-7-23 and 83-7-25 are applicable. If the company elects to use the 2001 CSO Mortality Table, it shall do so for both valuation and nonforfeiture purposes.
- B. Subject to the conditions stated in this regulation, the 2001 CSO Mortality Table shall be used in determining minimum standards for policies issued on and after January 1, 2009, to which Miss. Code Ann. §§ 83-7-23 and 83-7-25 are applicable.

Source: Miss. Code Ann. §§ 83-7-23; 83-7-25 (Rev. 2011)

Rule 16.05: Conditions

- A. For each plan of insurance with separate rates for smokers and nonsmokers an insurer may use:
 - 1. Composite mortality tables to determine minimum reserve liabilities and minimum cash surrender values and amounts of paid-up nonforfeiture benefits;
 - 2. Smoker and nonsmoker mortality tables to determine the valuation net premiums and additional minimum reserves, if any, required by Miss. Code Ann. § 83-7-23 and use composite mortality tables to determine the basic minimum reserves, minimum cash surrender values and amounts of paid-up nonforfeiture benefits; or
 - 3. Smoker and nonsmoker mortality to determine minimum reserve liabilities and minimum cash surrender values and amounts of paid-up nonforfeiture benefits.
- B. For plans of insurance without separate rates for smoker and nonsmokers the composite mortality tables shall be used.

- C. 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.
- D. When the 2001 Mortality Table is the minimum reserve standard for any plan for a company, there shall be included on or attached to Page 1 of the annual statement for each year beginning with the year in which this regulation becomes effective the statement of an appointed actuary, entitled "Statement of Actuarial Opinion," setting forth an opinion relating to reserves and related actuarial items held in support of policies and contracts. The Commissioner may exempt a company from this requirement if it only does business in this state and in no other state.

Source: Miss. Code Ann. §§ 83-7-23; 83-7-25 (Rev. 2011)

Rule 16.06: Gender-Blended Tables

- A. For any ordinary life insurance policy delivered or issued for delivery in this state on and after August 1, 2004, that utilizes the same premium rates and charges for male and female lives or is issued in circumstances where applicable law does not permit distinctions on the basis of gender, a mortality table that is a blend of the 2001 CSO Mortality Table (M) and the 2001 CSO Mortality Table (F) may, at the option of the company for each plan of insurance, be substituted for the 2001 CSO Mortality Table for use in determining minimum cash surrender values and amounts of paid-up nonforfeiture benefits. No change in minimum valuation standards is implied by this subsection of the regulation.
- B. The company may choose from among the blended tables developed by the American Academy of Actuaries CSO Task Force and adopted by the NAIC in December 2002.
- C. It shall not, in and of itself, be a violation of Miss Code Ann. § 83-5-35(Supp. 2003) for an insurer to issue the same kind of policy of life insurance on both a sex-distinct and sex-neutral basis.

Source: Miss. Code Ann. §§ 83-7-23; 83-7-25 (Rev. 2011)

Rule 16.07: Separability

If any provision of this regulation or its application to any person or circumstance is for any reason held to be invalid, the remainder of the regulation and the application of the provision to other persons or circumstances shall not be affected.

Source: Miss. Code Ann. § 83-5-1 (Rev. 2011)

Rule 16.08: Effective Date

The effective date of this regulation is August 1, 2004.

Source: Miss. Code Ann. § 24-43-3.113 (Rev. 2010)