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SENTRY INSURANCE

FILED
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STATE OF ILLINOIS
DEPARTMENT OF INSURANCE
SPRINGFIELD, ILLINOIS

RECEIVED
AUG 1 1 2008
IDFPR (MPC)
DIVISION OF INSURANCE
SPRINGFIELD

August 8, 2008

Director of Insurance Michael T. McRaith
Illinois Department of Financial and Professional Regulation
Division of Insurance
320 West Washington Street
Springfield, IL 62767

Attn: Mr. John Gatlin, Supervisor, Property and Casualty Compliance

RE: Rate/Rule/Form Filing - IL MED PROF LIAB ASSISTED LIVING 01 10-1-2008
General Liability
Company Filing#: GL IL0855501F01 -R
Sentry Insurance a Mutual Company NAIC#: 169-24988 FEIN#: 39-0333950

Dear Director McRaith:

We are expanding our target markets to include assisted living facilities and are filing revisions to our Commercial General Liability program adding CGL a coverage endorsement to provide Health Care Providers Professional Liability

These endorsements were previously filed and withdrawn. After discussions with the Department of Insurance, we are resubmitting revised Professional Liability Endorsements.

Refer to the Forms Filing Memorandum for additional information on the new coverage endorsements we wish to make available.

We are also filing revisions to our Commercial General Liability exception pages to add an Additional Rule for this endorsement with corresponding rates and rating rules. Please refer to the attached CGL Rule Filing Memo for Additional Information.

We ask your approval of this filing for policies written on or after 1 October, 2008.

Dennis Homann

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Compliance/Development Sr. Analyst
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MEM
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gln
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ILLINOIS CERTIFICATION OF COMPLIANCE FORM

I, Janet Fagan, a duly authorized officer of Sentry Insurance a Mutual Company, do hereby certify that I am authorized to certify on behalf of the Company or Advisory Organization making this filing, and that I am knowledgeable of the laws, regulations and bulletins applicable to the policy form(s) that is (are) the subject of this filing, and that, to the best of my knowledge and belief, this filing is complete, and said policy form(s), as presented, is (are) in compliance with applicable filing standards, Illinois laws, regulations, and bulletins, and applicable checklists on the Illinois Department of Insurance website dated 11-28-2007.

I understand that the Illinois Department of Insurance will rely on this certification to expedite review of this filing, and should it be determined that the policy form(s) does (do) not comply with the applicable laws, regulations, bulletins, or checklists, or that this certification is materially false, misleading, or incorrect, appropriate corrective and disciplinary action, as authorized by law, will be taken by the Department against the insurer or advisory organization and the officer completing this certification.

Signature of Authorized Officer

8-8-2008
Date

Name of Authorized Officer (print)	Janet Fagan
Title of Officer	Vice President - Chief Actuary
Insurer or Advisory Organization Name	Sentry Insurance a Mutual Company
FEIN	39-0333950
Address of Insurer or Advisory Organization	1800 North Point Drive
City	Stevens Point
State	WI
Zip	54481
Direct Telephone Number	
Fax Number	715-346-6044
Email Address	
Filing Number that Applies to this Filing	GL IL0855501F01

ASSISTED LIVING FACILITIES TARGET MARKET:
HEALTH CARE PROVIDERS PROFESSIONAL LIABILITY

SENTRY INSURANCE A MUTUAL COMPANY

RULE FILING MEMORANDUM

Purpose

We are filing Health Care Provider professional Liability rates and rating factors for use with the forms being filed for our new Assisted Living Facilities target market.

Proposed rates

The rates were developed based on a review of competitor's rate filings and of the Insurance Services Office (ISO) loss costs for their Nursing Home Classifications.

The Increased Limit Factors (ILFs) are based on the ISO Professional Liabilities ILFs for Convalescent or Nursing Homes, rescaled to our 100,000/200,000 basic limit.

The deductible factors are from ISO Professional Liability current rules.

Neuman, Gayle

From: Homann Dennis [Dennis.Homann@sentry.com]
Sent: Wednesday, December 16, 2009 7:58 AM
To: Neuman, Gayle
Subject: RE: Sentry Ins. A Mutual Co. - Filing #GL IL0855501F01-R

We did not put these changes into effect on 10-1-2008. Would like to change the effective date of this filing to December 11, 2009, the date the director signed off on this filing. Thank you.

Dennis Homann
Compliance/Development Analyst
dennis.homann@sentry.com
(715)346-8166

From: Neuman, Gayle [mailto:Gayle.Neuman@illinois.gov]
Sent: Monday, December 14, 2009 10:54 AM
To: Homann Dennis
Subject: Sentry Ins. A Mutual Co. - Filing #GL IL0855501F01-R

Mr. Homann,

The Department has now completed its review of the filing referenced above. The Director signed off on this filing on December 11, 2009. Originally, Sentry requested the filing be effective October 1, 2008. Was the change(s) put in effect on October 1, 2008? Your prompt response is appreciated.

Gayle Neuman

Illinois Department of Insurance
Property & Casualty Compliance
(217) 524-6497

Please refer to the Property & Casualty Review Checklists before submitting any filing. The checklists can be accessed through the Department's website at www.insurance.illinois.gov.

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Neuman, Gayle

From: Neuman, Gayle
Sent: Wednesday, October 01, 2008 1:59 PM
To: 'Homann Dennis'
Subject: RE: Rate/Rule Filing GL IL0855501F01-R

Mr. Homann,

My review of your filing is complete. You are correct about the quarterly payment plan. Unfortunately I get so accustomed to what other insurers file vs. what the regulation actually says. This filing will now be routed for review including actuarial review. This process will most likely take up to six months or more for completion.

Gayle Neuman
Division of Insurance

From: Homann Dennis [mailto:Dennis.Homann@sentry.com]
Sent: Wednesday, October 01, 2008 9:09 AM
To: Neuman, Gayle
Subject: RE: Rate/Rule Filing GL IL0855501F01-R

The following is in response to the comments or objections to this filing in your email dated 30 September, 2008.

From: Neuman, Gayle [mailto:Gayle.Neuman@illinois.gov]
Sent: Tuesday, September 30, 2008 10:39 AM
To: Homann Dennis
Subject: Rate/Rule Filing GL IL0855501F01-R

Mr. Homann,

Upon review of your response dated September 18, 2008, we have the following additional questions:

1. You must offer a payment plan equal to the quarterly payment plan indicated or one that is more favorable to the insured. In comparing the two payment plans, the quarterly plan is more favorable in that by the third month Sentry's plan would have required the insured to have paid more premium up to that point. Therefore, you must offer the quarterly payment plan which can be in addition to the plan offered. The manual page would have to provide such information.

Regarding the payment plan, we would ask your approval as submitted. Based on the requirements of the quarterly payment plan spelled out in your email dated September 9th (item 4) be believe our 10/9 plan to be as favorable as the quarterly plan. Based on the listed requirements, equal payments are not required. Per the approved attributes, the maximum down payment shall not exceed 40% of the annual premium and subsequent quarterly installments would not exceed 30% of the annual premium. It would appear our 10% down with the remainder over 9 equal installments (each 10% of the annual premium) would not result in less favorable treatment than a quarterly plan requiring 40% up front particularly if the remaining quarterly payments are set up with the payment due in month 3 at the maximum allowed 30% with reduced 6 and 9 month payments

2. The Rule Filing Memorandum suggests this coverage may apply to nursing homes. Previous manual pages filed as of December 26, 1995 provided rates for nursing homes. If this rule filing is to elimiate the previous manual reference to nursing homes, the manual pages should clarify the change.

The old Nursing Home rates are no longer used. Have not written Nursing Home risks for several years. The CGL rates and rules included in this filing would apply to any future Assisted Living Facilities or Nursing Homes written under this program.

I have included an attachment showing all manual pages filed December 26,1995 as withdrawn. If this is not acceptable and you need me to do a separate filing to withdraw these please let me know.

We request receipt of your response by October 10, 2009.

Gayle Neuman
Property & Casualty Compliance, Division of Insurance
Illinois Department of Financial & Professional Regulation
(217) 524-6497

Please refer to the Property and Casualty Review Requirement Checklists before submitting any filing. The checklists can be accessed through the Department's website (http://www.idfpr.com/) by clicking on: Insurance; Industry; Regulatory; IS3
Review Requirements Checklists; Property Casualty IS3 Review Requirements Checklists.

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SECTION I - GENERAL RULES

8. POLICY WRITING MINIMUM PREMIUM

Coverage F $500
Coverage G $500

13. RATES AND PREMIUM DEVELOPMENT

D. (a) Rating Availability

If an account develops an annual premium of more than $100,000 at basic limits (100/300), the account may be (a) rated to recognize unique administrative savings.

HOSPITAL PROFESSIONAL LIABILITY - HPL

Class Code	Description	Exposure Base	Group Code	Group Relativity
59181	Drugstores	receipts ($1,000)	H1	0.005
80612	Hospitals NOC (NFP)	# of beds	H9	1.000
80614	Clinics, Dispensaries, Infirmaries (NFP)	outpatient visits (100)	H5	0.050
80617	Hospitals NOC (NFP)	outpatient visits (100)	H5	0.050
80715	Medical or X-ray	receipts ($1,000)	H2	0.010
80916	Mental/Psychopathic (NFP)	# of beds	H8	0.750
80917	Mental/Psychopathic (NFP)	outpatient visits (100)	H4	0.038
80924	Nursing Homes (NFP)	# of beds	H6	0.070
80926	Health Institution (NFP)	# of beds	H7	0.500
80942	Additional Interest			
80954	Health Institution (NFP)	outpatient visits (100)	H3	0.025
80992	Blood Banks	# of donations		

withdrawn

withdrawn

HOSPITAL PROFESSIONAL LIABILITY

CLAIMS MADE RATES 100/300

Territory 01

Years since retroactive date

Class Group	0	1	2	3	4+
H1	4.55	7.40	9.10	9.60	10.10
H2	9.10	14.75	18.20	19.25	20.25
H3	22.75	36.95	45.55	48.05	50.60
H4	34.15	55.40	68.30	72.10	75.90
H5	45.55	73.85	91.05	96.15	101.20
H6	63.75	103.40	127.50	134.60	141.65
H7	455.50	738.50	910.50	961.50	1,012.00
H8	683.00	1,108.00	1,366.00	1,442.00	1,518.00
H9	910.50	1,477.50	1,821.50	1,922.50	2,023.50

Territories 02-06

Class Group	0	1	2	3	4+
H1	2.75	4.45	5.45	5.75	6.05
H2	5.45	8.85	10.95	11.55	12.15
H3	13.65	22.15	27.30	28.85	30.35
H4	20.50	33.25	41.00	43.25	45.55
H5	27.30	44.30	54.65	57.70	60.70
H6	38.25	62.05	76.50	80.75	85.00
H7	273.20	443.20	546.40	576.75	607.10
H8	409.80	664.80	819.60	865.15	910.65
H9	546.40	886.40	1,092.80	1,153.50	1,214.20

CLAIMS MADE MID-YEAR RATING FACTORS

Claims Made Year	Month											
	1	2	3	4	5	6	7	8	9	10	11	12
1	0.65	0.68	0.71	0.74	0.78	0.81	0.84	0.87	0.90	0.94	0.97	1.00
2	0.83	0.84	0.86	0.87	0.89	0.91	0.92	0.94	0.95	0.97	0.98	1.00
3	0.95	0.96	0.96	0.96	0.97	0.97	0.98	0.98	0.99	0.99	1.00	1.00
4	0.95	0.96	0.96	0.97	0.97	0.98	0.98	0.98	0.99	0.99	1.00	1.00
5	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00

Apply factors to claims made rates for the selected age. For example, a hospital purchasing a claims made policy with a retroactive date 4 months prior to the policy effective date would be rated at the year 1, month 4 factor (0.74) times the rate for year 1.

Withdrawn

HOSPITAL PROFESSIONAL LIABILITY

EXTENDED REPORTING ENDORSEMENT 100/300 LIMIT

Territory 01

Years since retroactive date

Class Group	1	2	3	4	5+
H1	7.10	9.60	10.60	11.15	11.65
H2	14.15	19.25	21.25	22.25	23.25
H3	35.40	48.05	53.10	55.65	58.20
H4	53.10	72.10	79.70	83.50	87.25
H5	70.85	96.15	106.25	111.30	116.35
H6	99.15	134.60	148.75	155.85	162.90
H7	708.50	961.50	1,062.50	1,113.00	1,163.50
H8	1,062.50	1,442.00	1,593.50	1,669.50	1,745.50
H9	1,416.50	1,922.50	2,125.00	2,226.00	2,327.50

Territories 02-06

Class Group	1	2	3	4	5+
H1	4.25	5.75	6.35	6.70	7.00
H2	8.50	11.55	12.75	13.35	13.95
H3	21.25	28.85	31.85	33.40	34.90
H4	31.85	43.25	47.80	50.10	52.35
H5	42.50	57.70	63.75	66.80	69.80
H6	59.50	80.75	89.25	93.50	97.75
H7	425.00	576.75	637.45	667.80	698.20
H8	637.45	865.15	956.20	1,001.75	1,047.25
H9	849.95	1,153.50	1,274.95	1,335.65	1,396.35

EXTENDED REPORTING PERIOD MID-YEAR FACTORS

Claims Made Year	Month											
	1	2	3	4	5	6	7	8	9	10	11	12
1	0.31	0.40	0.48	0.55	0.62	0.68	0.74	0.80	0.85	0.90	0.95	1.00
2	0.79	0.82	0.84	0.86	0.88	0.90	0.92	0.94	0.95	0.97	0.99	1.00
3	0.92	0.93	0.94	0.95	0.96	0.96	0.97	0.98	0.98	0.99	0.99	1.00
4	0.96	0.97	0.97	0.98	0.98	0.98	0.99	0.99	0.99	0.99	1.00	1.00
5	0.96	0.97	0.97	0.98	0.98	0.98	0.99	0.99	0.99	1.00	1.00	1.00

Apply factors to extended reporting period rates for the selected age. For example, a hospital who has a second year claims-made policy and decides to cancel after five months have elapsed would purchase "tail" coverage at the year 2, five month factor (0.88), times the rate for year 2 extended coverage.

withdrawn

PHYSICIANS AND SURGEONS MEDICAL PROFESSIONAL LIABILITY

CLAIMS MADE RATES 100/300 LIMIT

Territories 01,03

Class Group	Years since retroactive date				
	0	1	2	3	4+
1A	1,685	3,089	4,774	5,054	5,616
1	2,106	3,861	5,967	6,318	7,020
2	3,159	5,791	8,950	9,477	10,530
3	4,212	7,722	11,934	12,636	14,040
4	5,265	9,652	14,917	15,795	17,550
5A	4,317	7,915	12,232	12,952	14,391
5	8,424	15,444	23,868	25,272	28,080
6	10,530	19,305	29,835	31,590	35,100
7	13,057	23,938	36,995	39,171	43,524
8	17,269	31,660	48,929	51,807	57,563

Territory 02

Class Group	Years since retroactive date				
	0	1	2	3	4+
1A	842	1,544	2,387	2,527	2,808
1	1,053	1,930	2,983	3,159	3,510
2	1,579	2,896	4,475	4,738	5,265
3	2,106	3,861	5,967	6,318	7,020
4	2,632	4,826	7,459	7,897	8,775
5A	2,159	3,957	6,116	6,476	7,195
5	4,212	7,722	11,934	12,636	14,040
6	5,265	9,652	14,917	15,795	17,550
7	6,529	11,969	18,498	19,586	21,762
8	8,635	15,830	24,464	25,904	28,782

PHYSICIANS AND SURGEONS MEDICAL PROFESSIONAL LIABILITY

CLAIMS MADE RATES 100/300 LIMIT

Withdrawn

Territories 04,05

Class Group	Years since retroactive date				
	0	1	2	3	4+
1A	1,348	2,471	3,819	4,043	4,493
1	1,685	3,089	4,774	5,054	5,616
2	2,527	4,633	7,160	7,582	8,424
3	3,370	6,178	9,547	10,109	11,232
4	4,212	7,722	11,934	12,636	14,040
5A	3,454	6,332	9,786	10,361	11,513
5	6,739	12,355	19,094	20,217	22,464
6	8,424	15,444	23,868	25,272	28,080
7	10,446	19,150	29,596	31,337	34,819
8	13,815	25,328	39,143	41,446	46,051

Territory 06

Class Group	Years since retroactive date				
	0	1	2	3	4+
1A	1,011	1,853	2,864	3,033	3,370
1	1,264	2,317	3,580	3,791	4,212
2	1,895	3,475	5,370	5,686	6,318
3	2,527	4,633	7,160	7,582	8,424
4	3,159	5,791	8,950	9,477	10,530
5A	2,590	4,749	7,339	7,771	8,635
5	5,054	9,266	14,321	15,163	16,848
6	6,318	11,583	17,901	18,954	21,060
7	7,834	14,363	22,197	23,503	26,114
8	10,361	18,996	29,357	31,084	34,538

Claims Made Mid-Year Rating Factors

Claims Made Year	Month											
	1	2	3	4	5	6	7	8	9	10	11	12
1	0.58	0.62	0.66	0.70	0.73	0.77	0.81	0.85	0.89	0.92	0.96	1.00
2	0.68	0.71	0.74	0.76	0.79	0.82	0.85	0.88	0.91	0.94	0.97	1.00
3	0.95	0.95	0.96	0.96	0.97	0.97	0.98	0.98	0.99	0.99	1.00	1.00
4	0.91	0.92	0.93	0.93	0.94	0.95	0.96	0.97	0.98	0.98	0.99	1.00
5	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00

Apply factors to claims made rates for the selected age. For example, a physician purchasing a claims made policy with a retroactive date 4 months prior to the policy effective date would be rated at the year 1, month 4 factor (0.70) times the rate for year 1.

PHYSICIANS AND SURGEONS MEDICAL PROFESSIONAL LIABILITY

EXTENDED REPORTING ENDORSEMENT 100/300 LIMIT

Territories 01,03

Withdrawn

Class Group	Years since retroactive date				
	1	2	3	4	5+
1A	5,054	7,582	9,266	10,109	10,109
1	6,318	9,477	11,583	12,636	12,636
2	9,477	14,215	17,374	18,954	18,954
3	12,636	18,954	23,166	25,272	25,272
4	15,795	23,692	28,957	31,590	31,590
5A	12,952	19,428	23,745	25,904	25,904
5	25,272	37,908	46,332	50,544	50,544
6	31,590	47,385	57,914	63,179	63,179
7	39,171	58,757	71,814	78,342	78,342
8	51,807	77,711	94,980	103,614	103,614

Territory 02

Class Group	Years since retroactive date				
	1	2	3	4	5+
1A	2,527	3,791	4,633	5,054	5,054
1	3,159	4,738	5,791	6,318	6,318
2	4,738	7,108	8,687	9,477	9,477
3	6,318	9,477	11,583	12,636	12,636
4	7,897	11,846	14,479	15,795	15,795
5A	6,476	9,714	11,872	12,952	12,952
5	12,636	18,954	23,166	25,272	25,272
6	15,795	23,692	28,957	31,590	31,590
7	19,586	29,378	35,907	39,171	39,171
8	25,904	38,855	47,490	51,807	51,807

Withdrawn

PHYSICIANS AND SURGEONS MEDICAL PROFESSIONAL LIABILITY

EXTENDED REPORTING ENDORSEMENT 100/300 LIMIT

Territories 04,05

Class Group	Years since retroactive date				
	1	2	3	4	5+
1A	4,043	6,065	7,413	8,087	8,087
1	5,054	7,582	9,266	10,109	10,109
2	7,582	11,372	13,899	15,163	15,163
3	10,109	15,163	18,533	20,217	20,217
4	12,636	18,954	23,166	25,272	25,272
5A	10,361	15,542	18,966	20,723	20,723
5	20,217	30,326	37,065	40,435	40,435
6	25,272	37,908	46,332	50,544	50,544
7	31,337	47,005	57,451	62,674	62,674
8	41,446	62,169	75,984	82,891	82,891

Territory 06

Class Group	Years since retroactive date				
	1	2	3	4	5+
1A	3,033	4,549	5,560	6,065	6,065
1	3,791	5,686	6,950	7,582	7,582
2	5,686	8,529	10,425	11,372	11,372
3	7,582	11,372	13,899	15,163	15,163
4	9,477	14,215	17,374	18,954	18,954
5A	7,771	11,657	14,247	15,542	15,542
5	15,163	22,745	27,799	30,326	30,326
6	18,954	28,431	34,749	37,908	37,908
7	23,503	35,254	43,088	47,005	47,005
8	31,084	46,626	56,988	62,169	62,169

Extended Reporting Period Mid-Year Factors

Claims Made Year	Month											
	1	2	3	4	5	6	7	8	9	10	11	12
1	0.28	0.38	0.46	0.54	0.61	0.67	0.73	0.79	0.84	0.90	0.95	1.00
2	0.73	0.77	0.80	0.83	0.85	0.88	0.90	0.92	0.94	0.96	0.98	1.00
3	0.85	0.87	0.89	0.91	0.92	0.93	0.95	0.96	0.97	0.98	0.99	1.00
4	0.93	0.94	0.95	0.96	0.96	0.97	0.97	0.98	0.99	0.99	1.00	1.00
5	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00

Apply factors to extended reporting period rates for the selected age. For example, a physician who has a third year claims-made policy and decides to cancel after eight months have elapsed would purchase "tail" coverage at the year 3, eight month factor (0.96), times the rate for year 3 extended coverage.

PHYSICANS AND SURGEONS CLASSIFICATION SCHEDULE
GROUP CODE AND RELATIVITY

withdrawn

Class Code	Description	Group Code	Group Relativ.
80254	Allergy	1A	0.80
80256	Dermatology - No Surgery	1A	0.80
80240	Forensic Medicine	1A	0.80
80240	Legal Medicine	1A	0.80
80266	Pathology - No Surgery	1A	0.80
80249	Psychiatry	1A	0.80
80250	Psychoanalysis	1A	0.80
80251	Psychosomatic Medicine	1A	0.80
80236	Public Health	1A	0.80
80230	Aerospace Medicine	1	1.00
80255	Cardiovascular Disease - No Surgery	1	1.00
80237	Diabetes - No Surgery	1	1.00
80238	Endocrinology - No Surgery	1	1.00
80420	Family Practice - No Surgery	1	1.00
80241	Gastroenterology - No Surgery	1	1.00
80420	General Practice - No Surgery	1	1.00
80231	General Preventive Medicine - No Surgery	1	1.00
80243	Geriatrics - No Surgery	1	1.00
80244	Gynecology - No Surgery	1	1.00
80245	Hematology - No Surgery	1	1.00
80232	Hypnosis	1	1.00
80246	Infectious Diseases - No Surgery	1	1.00
80257	Internal Medicine - No Surgery	1	1.00
80258	Laryngology - No Surgery	1	1.00
80268	Neonatology	1	1.00
80259	Neoplastic Diseases - No Surgery	1	1.00
80260	Nephrology - No Surgery	1	1.00
80261	Neurology - Incl. Child - No Surgery	1	1.00
80262	Nuclear Medicine	1	1.00
80248	Nutrition	1	1.00
80233	Occupational Medicine	1	1.00
80263	Ophthalmology - No Surgery	1	1.00
80264	Otology - No Surgery	1	1.00
80265	Otorhinolaryngology - No Surgery	1	1.00
80267	Pediatrics - No Surgery	1	1.00
80234	Pharmacology - Clinical	1	1.00
80235	Physiatry	1	1.00
80268	Physicians - No Surgery (NOC)	1	1.00
80269	Pulmonary Diseases - No Surgery	1	1.00
80253	Radiology - Diagnostic - No Surgery	1	1.00
80252	Rheumatology - No Surgery	1	1.00
80247	Rhinology - No Surgery	1	1.00
80422	Angiography	2	1.50
80422	Arteriography	2	1.50
80281	Cardiovascular Disease - Minor Surgery	2	1.50
80422	Catheterization	2	1.50
80443	Colonoscopy	2	1.50

PHYSICANS AND SURGEONS CLASSIFICATION SCHEDULE
GROUP CODE AND RELATIVITY - (Continued)

withdrawn

Class Code	Description	Group Code	Group Relativ.
80282	Dermatology - Minor Surgery	2	1.50
80271	Diabetes - Minor Surgery	2	1.50
80272	Endocrinology - Minor Surgery	2	1.50
80443	ERCP	2	1.50
80423	Family Practice - Minor Surgery (excl. OB)	2	1.50
80274	Gastroenterology - Minor Surgery	2	1.50
80423	General - Minor Surgery (excl. OB)	2	1.50
80276	Geriatrics - Minor Surgery	2	1.50
80277	Gynecology - Minor Surgery	2	1.50
80422	Hair Transplants (Flap)	2	1.50
80443	Hair Transplants (Plug)	2	1.50
80278	Hematology - Minor Surgery	2	1.50
80279	Infectious Diseases - Minor Surgery	2	1.50
80283	Intensive Care Medicine	2	1.50
80284	Internal Medicine - Minor Surgery	2	1.50
80440	Laparoscopy (Peritoneoscopy)	2	1.50
80285	Laryngology - Minor Surgery	2	1.50
80446	Needle Biopsy	2	1.50
80286	Neoplastic Diseases - Minor Surgery	2	1.50
80287	Nephrology - Minor Surgery	2	1.50
80288	Neurology - Inc. Child - Minor Surgery	2	1.50
80289	Ophthalmology - Minor Surgery	2	1.50
80114	Ophthalmology - Surgery	2	1.50
80354	Orthopedic - Minor Surgery	2	1.50
80290	Otology - Minor Surgery	2	1.50
80291	Otorhinolaryngology - Minor Surgery	2	1.50
80292	Pathology - Minor Surgery	2	1.50
80293	Pediatrics - Minor Surgery	2	1.50
80294	Physicians - Minor Surgery (NOC)	2	1.50
80443	Pneumatic or Mechanical Esophageal Dilation	2	1.50
80869	Pulmonary Diseases - Minor Surgery	2	1.50
80280	Radiology - Diagnostic - Minor Surgery	2	1.50
80449	Radiopaque Dye Injections	2	1.50
80270	Rhinology - Minor Surgery	2	1.50
80437	Acupuncture - Other than acupuncture anesthesia	3	2.00
80101	Broncho Esophagology	3	2.00
80115	Colon and Rectal - Surgery	3	2.00
80428	Diskography	3	2.00
80103	Endocrinology - Surgery	3	2.00
80421	Family Practice - Minor Surgery (incl. OB)	3	2.00
80104	Gastroenterology - Surgery	3	2.00
80421	General Practice - Minor Surgery (incl. OB)	3	2.00
80105	Geriatrics - Surgery	3	2.00
80425	Laser Surgery	3	2.00
80434	Lymphangiography	3	2.00
80428	Myelography	3	2.00
80107	Neoplastic - Surgery	3	2.00
80108	Nephrology - Surgery	3	2.00
80434	Phlebography	3	2.00

PHYSICANS AND SURGEONS CLASSIFICATION SCHEDULE
GROUP CODE AND RELATIVITY - (Continued)

Class Code	Description	Group Code	Group Relativ.
80428	Pneumoencephalography	3	2.00
80431	Psychiatry w/ ECT	3	2.00
80425	Radiation Therapy	3	2.00
80145	Urological - Surgery	3	2.00
80102	Emergency Medicine	4	2.50
80117	Family Practice - Not primarily engaged in major surgery	4	2.50
80117	General Practice - Not primarily engaged in major surgery	4	2.50
80106	Laryngology - Surgery	4	2.50
80158	Otology - Surgery	4	2.50
80159	Otorhinolaryngology (ENT)	4	2.50
80160	Rhinology - Surgery	4	2.50
80166	Abdominal - Surgery	5	4.00
80143	General Surgery	5	4.00
80167	Gynecology - Surgery	5	4.00
80169	Hand - Surgery	5	4.00
80170	Head and Neck - Surgery	5	4.00
80155	Otorhinolaryngology (ENT) - Surgery	5	4.00
80157	Part-Time Emergency Medicine	5	4.00
80156	Plastic - Surgery (NOC)	5	4.00
80151	Anesthesiology	5A	2.05
80141	Cardiac - Surgery	6	5.00
80150	Cardiovascular - Surgery	6	5.00
80154	Orthopedic - Surgery	6	5.00
80144	Thoracic - Surgery	6	5.00
80171	Traumatic - Surgery	6	5.00
80146	Vascular - Surgery	6	5.00
80168	Obstetrics - Surgery	7	6.20
80153	Obstetrics/Gynecology	7	6.20
80152	Neurosurgery - Including Child	8	8.20
80960	Certified Registered Nurse Anesthetists		
80116	Physician's Assistants		

Withdrawn

Withdrawn

MEDICAL PROFESSIONAL INCREASED LIMITS FACTORS

PHYSICIANS AND SURGEONS

Aggregate	Per Medical Incident										
	100	150	200	250	300	500	1,000	1,500	2,000	2,500	3,000
300	1.00	1.14	1.23	1.30	1.36						
400	1.01	1.16	1.28	1.36	1.44						
500	1.02	1.17	1.31	1.41	1.48	1.69					
600	1.03	1.18	1.32	1.43	1.52	1.76					
750	1.04	1.19	1.33	1.45	1.55	1.83					
900	1.04	1.20	1.34	1.46	1.56	1.87					
1000	1.05	1.20	1.35	1.47	1.57	1.89	2.29				
1500		1.21	1.36	1.49	1.58	1.93	2.43	2.70			
2000			1.37	1.50	1.59	1.94	2.50	2.82	3.03		
2500				1.51	1.60	1.95	2.52	2.87	3.12	3.29	
3000					1.61	1.96	2.53	2.91	3.17	3.38	3.53
5000						1.99	2.56	2.97	3.27	3.56	3.73

HOSPITAL PROFESSIONAL LIABILITY

Aggregate	Per Medical Incident										
	100	150	200	250	300	500	1,000	1,500	2,000	2,500	3,000
300	1.00	1.08	1.13	1.17	1.19						
400	1.02	1.12	1.18	1.24	1.27						
500	1.03	1.15	1.23	1.30	1.34	1.44					
600	1.04	1.16	1.26	1.33	1.38	1.52					
750	1.05	1.16	1.27	1.35	1.41	1.58					
900	1.05	1.17	1.28	1.36	1.44	1.63					
1000	1.06	1.17	1.28	1.37	1.45	1.66	1.90				
1500		1.18	1.29	1.38	1.46	1.72	2.07	2.24			
2000			1.30	1.39	1.47	1.73	2.14	2.37	2.51		
2500				1.40	1.48	1.74	2.16	2.43	2.60		
3000					1.49	1.75	2.18	2.48	2.69	2.84	2.96
5000						1.79	2.21	2.51	2.77	2.99	3.17

withdrawn

MISC. MEDICAL PROFESSIONAL RATES

- Physician's or Surgeon's Assistant (80116)

  25% of the existing Class 1 rate.

- Certified/Registered Nurse Anesthetist (80960)

  20% of the existing rate for Anesthesiology (80151)
  CNRAs who indicate that they utilize a pulse oximeter and an end-tidal CO2 analyzer in the administration of anesthesia will be rated at 10% of the existing rate for Anesthesiology (80151).

- Emergency Medicine -- Part-Time

  If a class 1 physician works in the emergency room 15% or less of his or her annually scheduled practice time, no increase in rate will apply.

  Any class 1 physician working 16% to 50% of his/her scheduled practice time in the emergency room will retain a class 1 categorization; however, such a physician's rate will be surcharged 50 percent of the rate for Emergency Medicine (80102).

- Partnership, Professional Corporation or Professional Association

  Professional corporations, associations or partnerships may receive a primary policy at the option of the insured at a 10 percent charge that is based on the total premium charge for the individual insured health care providers of the entity, provided that the Company insures all principals and employed physicians as individuals. The covered entity will receive a separate set of limits for the 10 percent charge.

- Employed Physician's or Surgeon's Assistant (Vicarious Liability) (80129)

  12.5% of the existing Class I occurrence rate.

- Employed or Full-Time Contract Physicians (Vicarious Liability) (80177)

  12.5% of the occurrence rate applicable for the self-employed physician.

MEDICAL PROFESSIONAL TERRITORY PAGE

County	Territory
Cook	01
All Others	02
Madison, St. Clair	03
Kane, Du Page, Lake	04
Will, McHenry	05
Champaign, Jackson, Macon Sangamon, Vermillion	06

Withdrawn

Neuman, Gayle

From: Homann Dennis [Dennis.Homann@sentry.com]
Sent: Thursday, September 18, 2008 11:35 AM
To: Neuman, Gayle
Subject: RE: Rate/Rule Filing GL IL0855501F01-R
Attachments: ILLINOIS CERTIFICATION FOR.doc; IL Div 6 2008-10_CG-IL-3-4-5.pdf

Gayle. Here are the responses to your objections.

From: Neuman, Gayle [mailto:Gayle.Neuman@illinois.gov]
Sent: Tuesday, September 09, 2008 2:28 PM
To: Homann Dennis
Subject: Rate/Rule Filing GL IL0855501F01-R

Mr. Homann,

We are in receipt of the above referenced filing submitted by letter dated August 8, 2008. We have separated the filing into two sections - one for forms, and the other for rate/rule. We added "-R" to this filing number for the rate/rule material to be reviewed.

The submission is not acceptable for filing in Illinois due to the following issue(s):

1. 215 ILCS 5/155.18 states it shall be certified in this filing by an officer of the company and a qualified actuary that the company's rates are based on sound actuarial principles and are not inconsistent with the company's experience. This information is required in every rate/rule filing for medical malpractice.
Please see certification form attached above.

2. Please indicate if your company has a plan for the gathering of statistics or the reporting of statistics to statistical agencies? If yes, what stat agency is being used?
We will be reporting the statistics to ISO under the Medical Professional Module of the Commercial Statistical Plan according to detailed instructions provided to
us for the data elements required.

3. In addition to the free extended reporting period, the manual should indicate if expiring limits are reinstated or not.
Revised rule pages included as attachment above. See revised page CG-IL-3.

4. All companies writing medical liability insurance shall file with the Secretary or Director a plan to offer each medical liability insured the option to make premium payments, in at least quarterly installments. For purposes of this requirement, insurers may, but are not required to, offer such premium installment plans to insureds whose annual premiums are less than $500, or for premium for any extension of a reporting period. Quarterly installment premium payment plans subject to this Section shall be included in the initial offer of the policy, or in the first policy renewal occurring after January 1, 2006. Thereafter, the insurer may, but need not re-offer such payment plan, but if an insured requests such payment plan at a later date, the insurer must make it available. All quarterly installment premium payment plan provisions shall be contained in the filed rate and/or rule manual in a section entitled, "Quarterly Installment Option" or a substantially similar title. If the company uses a substantially similar title, the Rule Submission Letter must indicate the name of the section that complies with this requirement. All quarterly installment premium payment plans shall include the minimum standards listed below. Insurers may provide for quarterly installment premium payment plans that differ from these minimum standards, as long as such plans have terms that are at least as or more favorable than those listed below.
Revised rule pages included as an attachment above. See CG-IL-5. A 10/9 Premium Payment Plan will be available for this coverage. Instead of a down payment and 3

quarterly payments(3rd, 6th & 9 months from inception), we will require a down payment and 9 installments due the first through the 9th months of the policy period. (Actual payment time is the same, however, smaller monthly payments in lieu of quarterly payments).

i) An initial payment of no more than 40% of the estimated total premium due at policy inception;

ii) The remaining premium spread equally among the second, third, and fourth installments, with the maximum for such installments set at 30% of the estimated total premium, and due 3, 6, and 9 months from policy inception, respectively;

iii) No interest charges;

iv) Installment charges or fees of no more than 1% of the total premium or $25.00, whichever is less;

v) A provision stating that additional premium resulting from changes to the policy shall be spread equally over the remaining installments, if any. If there are no remaining installments, additional premium resulting from changes to a policy may be billed immediately as a separate transaction.

5. Are there any territorial restrictions/definitions such as by county?

Company rates are state wide. Our guidelines at this time would allow us to write facilities with locations in all counties except Cook, Madison and St. Clair. Important to note this is a guideline and not a rule. We may make exceptions to this and the guide may change at some point in the future.

We request receipt of your response by no later than September 23, 2008.

Gayle Neuman
Property & Casualty Compliance, Division of Insurance
Illinois Department of Financial & Professional Regulation
(217) 524-6497

Please refer to the Property and Casualty Review Requirement Checklists before submitting any filing. The checklists can be accessed through the Department's website (http://www.idfpr.com/) by clicking on: Insurance; Industry; Regulatory; IS3
Review Requirements Checklists; Property Casualty IS3 Review Requirements Checklists.

THIS MESSAGE IS INTENDED FOR THE SOLE USE OF THE ADDRESSEE AND MAY BE CONFIDENTIAL, PRIVILEGED AND EXEMPT FROM DISCLOSURE UNDER APPLICABLE LAWS. IF YOU RECEIVE THIS MESSAGE IN ERROR, PLEASE DESTROY IT AND NOTIFY US BY SENDING AN E-MAIL TO: Gayle.Neuman@illinois.gov

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ILLINOIS CERTIFICATION FOR MEDICAL MALPRACTICE RATES

(215 ILCS 5/155.18)(3) states that medical liability rates shall be certified in such filing by an officer of the company and a qualified actuary that the company's rates are based on sound actuarial principles and are not inconsistent with the company's experience.

I, **Michael J. Williams**, a duly authorized officer of **Sentry Insurance a Mutual Company**, am authorized to certify on behalf of the Company making this filing that the company's rates are based on sound actuarial principles and are not inconsistent with the company's experience, and that I am knowledgeable of the laws, regulations and bulletins applicable to the policy rates that are the subject of this filing.

I, **Michael J. Williams**, a duly authorized actuary of **Sentry Insurance a Mutual Company** am authorized to certify on behalf of **Sentry Insurance a Mutual Company** making this filing that the company's rates are based on sound actuarial principles and are not inconsistent with the company's experience, and that I am knowledgeable of the laws, regulations and bulletins applicable to the policy rates that are the subject of this filing.

Mike Williams- Vice President Products Pricing and Market Analysis
Signature and Title of Authorized Insurance Company Officer 09/15/08 Date

Mike Williams, FCAS, MAAA
Signature, Title and Designation of Authorized Actuary 09/15/08 Date

Insurance Company FEIN **39-0333950** Filing Number **GL-IL0855501F01-R**

Insurer's Address **1800 NORTH POINT DRIVE**

City **STEVENS POINT** State **WI** Zip Code **54481**

Contact Person's:
-Name and E-mail Dennis Homann , dennis.homann@sentry.com

-Direct Telephone and Fax Number (715) 346-8166, (715) 346-6044

Attached are several exhibits further detailing our analysis in selecting professional liability rates.

Exhibit A is Insurance Expense Exhibit data for Sentry Insurance.

Exhibit B is from a Church Mutual general liability filing detailing their expenses and expected loss ratio. While overall expense loads including profit and contingencies are arrived at with slightly different numbers, the end result is very similar.

Exhibit C is a derivation of ISO rates using ISO nursing care loss costs and Sentry's expense LCM. The rates are similar to the final selected rates for Illinois.

Exhibit D outlines the competitor rates that were available to us and the ISO relativities across our selected pilot states. The second page lists the relativities by classification for competition and selected Sentry relativities.

Exhibit D points out the inherent difficulty in selecting rates based on competition for commercial lines business.

1. The range of available rates is quite broad between different competitors.
2. Competitors classify risks differently using various definitions. The definitions are not available to us as these would be in underwriting guides that are not filed.
3. Schedule and experience rating may or may not apply.
4. ISO provides one classification that includes skilled nursing facilities. Skilled nursing is not our target market. Sentry and the competition recognize there are different classes of risk within the assisted living marketplace.

An explicit adjustment for an expense differential would only shift the available range of rates up or down slightly. The shift was deemed immaterial given the list of differences provided above. While each of the difficulties and differences adds an element of risk, Sentry is mitigating this risk by several means.

1. Our underwriting team spoke to several assisted living facilities and visited several as well to develop claim and product knowledge.
2. We market through direct writers. The product is not available to independent agents or managing general agents. This provides us with greater control over business placed on our books.
3. Each quote is reviewed by a team of underwriters, loss control specialists, and pricing and product development staff.
4. Sentry selected a limited number of states to pilot our entrance into the assisted living market. Illinois is one of the selected states. One reason for this approach is to gain market intelligence as to the competitiveness of our product as well as expected profitability.
5. Sentry's financial strength and surplus position stand behind our entrance into the market.

Sentry is entering the assisted living market. A balanced review of the available competitive data along with ISO information was used to provide a competitive rate that is fair, adequate, and not unfairly discriminatory. We did not target one specific competitor. As we build a credible book of business, our internal data will allow us to further refine our pricing levels and product offering. Until we build a book of business, we have limited information available to us. Our quote activity in other pilot states has

confirmed our rates are in the range of reasonableness. Sentry is neither too high nor too low as compared to the competition.

Regarding our extended reporting coverage, a liability will be accrued as a loss reserve. No part of this liability will be reported as relating to death, disability, and retirement in the Schedule P Interrogatories.

Exhibit A

SENTRY INSURANCE A MUTUAL COMPANY
MIDDLESEX INSURANCE COMPANY
PATRIOT GENERAL INSURANCE COMPANY

Countrywide Expense Information Worksheet (000's omitted)

General Liability: Line 17.0 Other Liability

	2004	2005	2006	2007	2008	3-Yr Total	5-Yr Total
1. Direct Written Premium	41,126	45,643	45,032	43,566	32,955	121,553	208,322
2. Direct Earned Premium	41,062	45,743	44,581	44,873	37,613	127,067	213,872
3. Direct Losses Incurred	22,910	48,491	74,065	11,989	15,732	101,786	173,187
4.a. Direct LAE Incurred	20,621	13,067	40,132	22,475	8,708	71,315	105,003
4.b. Direct ALAE Incurred	18,111	11,244	38,120	20,794	5,710	64,624	93,979
4.c. Direct ULAE Incurred	2,510	1,823	2,012	1,681	2,998	6,691	11,024
5. Direct Commission & Brokerage Inc	1,262	1,343	1,403	1,325	762	3,490	6,095
6. Other Acquisition Expenses	4,339	4,715	4,423	5,418	4,790	14,631	23,685
7. General Expenses	2,565	3,107	2,698	3,411	4,314	10,423	16,095
8. Taxes, Lic & Fees Incurred	1,143	1,092	1,036	962	687	2,685	4,920
9. Dividends to Policyholders	540	562	826	766	696	2,288	3,390
10. Total Underwriting Expenses [(5) + (6) + (7) + (8) + (9)]	9,849	10,819	10,386	11,882	11,249	33,517	54,185

	2004	2005	2006	2007	2008	3-Yr Avg	5-Yr Avg	Selected
11.a. LAE as % of Earned Premium [(4a) / (2)]	50.2%	28.6%	90.0%	50.1%	23.2%	56.1%	49.1%	
11.b. LAE as % of Incurred Losses [(4a) / (3)]	90.0%	26.9%	54.2%	187.5%	55.4%	70.1%	60.6%	
11.c. ALAE as % of Incurred Loss [(4b) / (3)]	79.1%	23.2%	51.5%	173.4%	36.3%	63.5%	54.3%	63.5%
11.d. ULAE as % of Incurred Loss+ALAE [(4c) / {(3)+(4b)}]	6.1%	3.1%	1.8%	5.1%	14.0%	4.0%	4.1%	4.0%
Selected Taxes, Lic & Fees and Dividends to Policyholders are based on the estimated Illinois amounts								
12. Commission & Brokerage [(5) / (1)]	3.1%	2.9%	3.1%	3.0%	2.3%	2.9%	2.9%	2.9%
13. Other Expenses [(6) / (1)]	10.6%	10.3%	9.8%	12.4%	14.5%	12.0%	11.4%	12.0%
14. General Expenses [(7) / (2)]	6.2%	6.8%	6.1%	7.6%	11.5%	8.2%	7.5%	8.2%
15. Taxes, Lic & Fees [(8) / (1)]	2.8%	2.4%	2.3%	2.2%	2.1%	2.2%	2.4%	0.9%
16. Dividends to Policyholders [(9) / (1)]	1.3%	1.2%	1.8%	1.8%	2.1%	1.9%	1.6%	0.0%
17. Total Underwriting Expenses [(12)+(13)+(14)+(15)+(16)]						27.2%	25.8%	24.0%
18. Profit & Contingency Provision						5.0%	5.0%	5.0%
19. Investment Income						10.5%	10.5%	10.5%
20. Net Profit & Contingency Provision [(18) - (19)]						-5.5%	-5.5%	-5.5%
21. Total, Expense, Profit & Contingency [(17) + (20)]						21.7%	20.3%	18.5%
22. Permissible Loss Ratio [100% - (21)]						78.3%	79.7%	81.5%

***** *source: Insurance Expense Exhibit* *****

STATE WISCONSIN

Exhibit B

INSURER NAME. CHURCH MUTUAL INSURANCE COMPANY
NAIC NUMBER. 18767

INSURER RATE FILING
ADOPTION OF ADVISORY ORGANIZATION PROSPECTIVE LOSS COSTS
SUMMARY OF SUPPORTING INFORMATION FORM

CALCULATION OF COMPANY LOSS COST MULTIPLIER

1. LINE, SUBLINE, COVERAGE, TERRITORY, CLASS, ETC., COMBINATION TO WHICH THIS PAGE APPLIES· A - Series, General Liability
   Nursing Homes (FP) 44429

2. LOSS COST MODIFICATION
   A THE INSURER HEREBY FILES TO ADOPT THE PROSPECTIVE LOSS COSTS IN THE CAPTIONED REFERENCE FILING·
   (CHECK ONE)
   _____ WITHOUT MODIFICATION (FACTOR = 1 000)
   X WITH THE FOLLOWING MODIFICATION(S) (CITE THE NATURE AND PERCENT MODIFICATION, AND ATTACH SUPPORTING DATA AND\OR RATIONALE FOR THE MODIFICATION)

   B LOSS COST MODIFICATION EXPRESSED AS A FACTOR. (SEE EXAMPLES BELOW) — SEE ATTD

NOTE: IF EXPENSE CONSTANTS ARE UTILIZED, ATTACH "EXPENSE CONSTANT SUPPLEMENT" OR OTHER SUPPORTING INFORMATION. DO NOT COMPLETE ITEMS 3 - 7 BELOW

3 DEVELOPMENT OF EXPECTED LOSS RATIO (ATTACH EXHIBIT DETAILING INSURER EXPENSE DATA AND\OR OTHER SUPPORTING INFORMATION)

SELECTED PROVISIONS

A.	TOTAL PRODUCTION EXPENSE	11 1%
B.	GENERAL EXPENSE	4 7%
C	TAXES, LICENSES & FEES	3 1%
D	UNDERWRITING PROFIT & CONTINGENCIES	-1 7%
E	OTHER	0 0%
F	TOTAL	17 2%
4A	EXPECTED LOSS RATIO ELR = 100% - 3F =	82 9%
4B	ELR IN DECIMAL FORM =	0 829
5	COMPANY FORMULA LOSS COST MULTIPLIER· (2B / 4B) =	SEE ATTD
6	COMPANY SELECTED LOSS COST MULTIPLIER =	SEE ATTD

EXPLAIN ANY DIFFERENCES BETWEEN 5 AND 6

7 RATE LEVEL CHANGE FOR THE COVERAGE TO WHICH THIS PAGE APPLIES — SEE ATTD

EFFECTIVE DATE _____

Rates Developed Using ISO Loss Costs

Exhibit C

	Limit ('000)	Illinois PR-2007-144 9/1/2008
Nursing Home For-Profit Loss Cost (Class 80923)	$500/1,500	598
Nursing Home Not-For-Profit Loss Cost (Class 80924)	$500/1,500	432
$500/$1,500 Increased Limits Factor		1.88
Nursing Home For-Profit Loss Cost	$100/200	318
Nursing Home Not-For-Profit Loss Cost	$100/200	230
Permissible Loss Ratio (IEE Other Liability)		81.5%
Nursing Home For-Profit Rate	$100/200	390
Nursing Home Not-For-Profit Rate	$100/200	282

ASSISTED LIVING
HEALTH CARE PROVIDERS PROFESSIONAL LIABILITY
PROPOSED SENTRY RATES

PROPOSED CLASSES			SELECTED relativities	PROPOSED SENTRY RATES per BED, base limit 100/200					
				WISCONSIN	ILLINOIS	INDIANA	IOWA	MINNESOTA	TENNESSEE
FOR PROFIT	Skilled	32000	1.00	219.05	383.33	328.57	230.00	273.81	876.19
	Memory	32001	0.75	164.29	287.50	246.43	172.50	205.36	657.14
	Assisted	32002	0.21	46.00	80.50	69.00	48.30	57.50	184.00
	Independent	32003	0.05	10.95	19.17	16.43	11.50	13.69	43.81
NOT FOR PROFIT	Skilled	32050	1.00	190.48	333.33	285.71	200.00	238.10	761.90
	Memory	32051	0.75	142.86	250.00	214.29	150.00	178.57	571.43
	Assisted	32052	0.21	40.00	70.00	60.00	42.00	50.00	160.00
	Independent	32053	0.05	9.52	16.67	14.29	10.00	11.90	38.10

RELATIVITIES		WISCONSIN	ILLINOIS	INDIANA	IOWA	MINNESOTA	TENNESSEE
STATE	SENTRY SELECTED	1.000	1.750	1.500	1.050	1.250	4.000
	ISO	1.000	2.502	1.787	1.347	1.464	3.247
	Church Mutual	1.000			1.045		5.061
	West Bend	1.000			1.014		
FOR PROFIT vs NOT FOR PROFIT	SENTRY SELECTED	1.150	1.150	1.150	1.150	1.150	1.150
	ISO	1.382	1.384	1.391	1.394	1.389	1.388
	Church Mutual	1.000			1.000		1.000
	West Bend	1.000			1.000		
	Guide One				1.700		

COMPETITOR RATES FOR PROFIT		base limit	WISCONSIN	ILLINOIS	INDIANA	IOWA	MINNESOTA	TENNESSEE
Skilled Care	Church Mutual (2008)	100/300	222.33			232.24		1125.24
	West Bend (2004)	100/200	218.96			277.00		
	Guide One (2008)					302.55		
Assisted Living	Church Mutual (2008)	100/300	46.69			48.77		236.3
	West Bend (2004)	100/200	22.47			22.78		
	Guide One (2008)					123.44		

ASSISTED LIVING
PROFESSIONAL LIABILITY
RATE RELATIVITIES

CLASS RELATIVITIES

ISO			CHURCH MUTUAL			WEST BEND				GUIDE ONE			SENTRY		
For-Profit class		relativity IL IN IA MN TN WI	For-Profit class		relativity IA TN WI	For-Profit class		relativity IA 6/04	relativity WI 5/04	For-Profit class		relativity IA TN WI	For-Profit class *		relativity IL IN IA MN TN WI initial selection
80923	Nursing Home	1.00	11645	Skilled Care	1.00	70327	Skilled Care	1.00	1.00	80930	Skilled	1.00	32000	Skilled	**1.00**
80510	Rehab	0.80													
80516	Hospice	0.40													
			11653	Cognitive Impairment Care	0.75								32001	Memory	**0.75**
			11646	Intermediate Care	0.32	70051	High Hazard	0.51	0.75	80931	Intermediate	0.51			
			11647	Resident Care	0.21	70050	Medium Hazard	0.08	0.10	80970	Assisted	0.41	32002	Assisted	**0.21**
			11648	Independent Living	0.05	70049	Low Hazard	0.02	0.03	80932	Independent	0.00	32003	Independent	**0.05**

* proposed Sentry class codes

ADDITIONAL RULE - HEALTH CARE PROVIDERS PROFESSIONAL LIABILITY COVERAGE

A. DESCRIPTION OF COVERAGE

Health Care Providers Professional Liability Coverage **CG 70 22** (occurrence based coverage) or **CG 70 23** for claims made coverage.

These endorsements will extend the CGL coverage form to add coverage for injury arising out of a professional health care incident. Coverage will be subject to each incident and annual aggregate limits of insurance shown in the endorsement Schedule or Declarations. Coverage may be written subject to a specified deductible.

Coverage may be provided on an occurrence or claims made basis.

If provided on a claims made basis, coverage is subject to an automatic (no additional premium for the extension will be charged) extended reporting period of 5 years in the event:

- The coverage is cancelled or not renewed for any reason;
- The retroactive date is advanced; or
- Coverage is replaced with coverage that applies on an other than claims made basis.

Additional extended reporting period options are not available.

B. PREMIUM DETERMINATION

Health Care Providers Professional Liability Coverage

Basic limits full coverage (no deductible) premium will be calculated using a basic limits (no deductible) rate per bed, based on risk type and coverage class code from the following table:

Class Description and Class Code	Basic Limits Rate Per Bed
For Profit Facilities	
Independent Living - Class Code 32003	$19.17
Assisted Living - Class Code 32002	80.50
Memory Care - Class Code 32001	287.50
Nursing or Skilled Care - Class Code 32000	383.33
Not For Profit Facilities	
Independent Living - Class Code 32053	$16.67
Assisted Living - Class Code 32052	70.00
Memory Care - Class Code 32051	250.00
Nursing or Skilled Care - Class Code 32050	333.33

Basic Limits reflect a $100,000 Each Incident and $200,000 Aggregate limits. For increased limits, use the following table. Use interpolation for limit options not shown.

Aggregate (thousands)	Each Incident (thousands)				
	$100	$300	$500	$1,000	$2,000
$200	1.00				
$300	1.01	1.27			
$500		1.42	1.57		
$900		1.55			
$1,000			1.81	2.05	
$1,500			1.88	2.22	
$2,000				2.30	2.56
$3,000				2.35	2.70
$6,000					2.77

For coverage written on a deductible basis, the rate reduction will be calculated using a modified increased limits factor. The modified increased limits factor will be the full limits increased limits factor (from the table above or interpolation for limit options not shown) minus the deductible factor from the following table:

Deductible Amount	Deductible Factor
250	0.001
500	0.002
750	0.004
1,000	0.005
2,000	0.009
3,000	0.014
4,000	0.018
5,000	0.023
10,000	0.043
15,000	0.063
20,000	0.083
25,000	0.101
50,000	0.187
75,000	0.261
100,000	0.327

For larger deductibles, refer to company for rating. For deductible options not shown, use interpolation to calculate the deductible factor.

For coverage written on a claims made basis, the following factors will also apply, based on years in claims made, or number of years from applicable retro active date:

Years In Claims Made (from retro active date)	Claims made factor
1st year	0.96
2nd year	0.98
3rd and subsequent years	1.00

ADDITIONAL RULE - HEALTH CARE PROVIDERS PROFESSIONAL LIABILITY COVERAGE

A. DESCRIPTION OF COVERAGE

Health Care Providers Professional Liability Coverage **CG 70 22** (occurrence based coverage) or **CG 70 23** for claims made coverage.

These endorsements will extend the CGL coverage form to add coverage for injury arising out of a professional health care incident. Coverage will be subject to the each incident and annual aggregate limits of insurance shown in the endorsement Schedule or Declarations. Coverage may be written subject to a specified deductible.

Coverage may be provided on an occurrence or claims made basis.

If provided on a claims made basis, coverage is subject to an automatic (no additional premium for the extension will be charged) extended reporting period of 5 years in the event:

- The coverage is cancelled or not renewed for any reason;
- The retroactive date is advanced; or
- Coverage is replaced with coverage that applies on an other than claims made basis.

Subject to the Each Incident Limit of Insurance, this Extended Reporting Period will be subject to a supplemental Aggregate Limit of Insurance equal to the Professional Liability Annual Aggregate Limit of Insurance of the expiring policy (reinstates the aggregate limit).

Additional extended reporting period options are not available.

B. PREMIUM DETERMINATION

Health Care Providers Professional Liability Coverage

Basic limits full coverage (no deductible) premium will be calculated using a basic limits (no deductible) rate per bed, based on risk type and coverage class code from the following table:

Class Description and Class Code	Basic Limits Rate Per Bed
For Profit Facilities	
Independent Living - Class Code 32003	$19.17
Assisted Living - Class Code 32002	80.50
Memory Care - Class Code 32001	287.50
Nursing or Skilled Care - Class Code 32000	383.33
Not For Profit Facilities	
Independent Living - Class Code 32053	$16.67
Assisted Living - Class Code 32052	70.00
Memory Care - Class Code 32051	250.00
Nursing or Skilled Care - Class Code 32050	333.33

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Basic Limits reflect a $100,000 Each Incident and $200,000 Aggregate limits. For increased limits, use the following table. Use interpolation for limit options not shown.

Aggregate (thousands)	Each Incident (thousands)				
	$100	$300	$500	$1,000	$2,000
$200	1.00				
$300	1.01	1.27			
$500		1.42	1.57		
$900		1.55			
$1,000			1.81	2.05	
$1,500			1.88	2.22	
$2,000				2.30	2.56
$3,000				2.35	2.70
$6,000					2.77

For coverage written on a deductible basis, the rate reduction will be calculated using a modified increased limits factor. The modified increased limits factor will be the full limits increased limits factor (from the table above or interpolation for limit options not shown) minus the deductible factor from the following table:

Deductible Amount	Deductible Factor
250	0.001
500	0.002
750	0.004
1,000	0.005
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3,000	0.014
4,000	0.018
5,000	0.023
10,000	0.043
15,000	0.063
20,000	0.083
25,000	0.101
50,000	0.187
75,000	0.261
100,000	0.327

For larger deductibles, refer to company for rating. For deductible options not shown, use interpolation to calculate the deductible factor.

For coverage written on a claims made basis, the following factors will also apply, based on years in claims made, or number of years from applicable retro active date:

Years In Claims Made (from retro active date)	Claims made factor
1st year	0.96
2nd year	0.98
3rd and subsequent years	1.00

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SPRINGFIELD, ILLINOIS

C. 10/9 PREMIUM PAYMENT PLAN

The insured's will have the option to select a payment plan for the Health Care Professional Liability Coverage. Terms of the plan as follows:

- A down payment of 10% of the premium will be due as of policy inception.
- Remaining balance will be payable in 9 monthly equal installments.
- Any additional premium from endorsements will be divided equally between any remaining installments. If all installments have been paid, additional premium will be due when billed.
- No interest charge or installment fee will apply.

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