



South Carolina Department of Insurance

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BULLETIN NUMBER 2025-06

TO: Insurers Writing Credit Accident and Health Insurance in South Carolina in Conjunction with Consumer Credit Transactions subject to S.C. Code § 37-1-101 *et seq.*, the South Carolina Consumer Protection Code, Other Than Loans Made Under 1966 S.C. Act No. 988, Consumer Finance Law

FROM: Michael Wise
Director *Michael Wise*

SUBJECT: Notice of Tentative 2026 Credit Accident and Health Insurance Rates and Opportunity to Request a Hearing

DATE: August 8, 2025

I. NOTICE OF TENTATIVE CREDIT ACCIDENT AND HEALTH INSURANCE RATES

Regulation 69-11.1, Regulation of Credit Insurance, requires the South Carolina Department of Insurance (Department) to promulgate tentative rates for credit accident and health insurance by August 1st of each year. The tentative rates are those the Department believes may reasonably be expected to produce a loss ratio of not less than fifty percent (50%) in the following calendar year. This Bulletin constitutes official notice of the tentative rates for 2026.

The Department has reviewed the last several years' experience for credit accident and health insurance written in conjunction with consumer credit transactions subject to the Consumer Protection Code and not including credit accident and health insurance written in conjunction with loans subject to the Consumer Finance Law. The aggregate loss ratio for credit accident and health insurance at the prima facie rates were: thirty and six tenths percent (30.6%) in 2024, thirty-five and two tenths percent (35.2%) in 2023, thirty-eight and four tenths percent (38.4%) in 2022, thirty-six percent (36.0%) in 2021. The Department proposes a 15% reduction to rates in 2026 due to continued low loss ratio experience.

What follows are the tentative single premium rates per \$100 of initial indebtedness proposed for 2026 for credit accident and health insurance:

| <i>Period</i> | <i>14-Day Retro</i> | <i>30-Day Retro</i> |
|---------------|---------------------|---------------------|
| 12 Months | \$0.89 | \$0.84 |
| 24 Months | \$1.21 | \$1.16 |
| 36 Months | \$1.53 | \$1.47 |
| 48 Months | \$1.79 | \$1.73 |
| 60 Months | \$2.05 | \$2.00 |
| 72 Months | \$2.26 | \$2.21 |
| 84 Months | \$2.48 | \$2.43 |
| 96 Months | \$2.64 | \$2.58 |
| 108 Months | \$2.79 | \$2.74 |
| 120 Months | \$2.96 | \$2.90 |
| 132 Months | \$3.11 | \$3.06 |
| 144 Months | \$3.21 | \$3.15 |
| 156 Months | \$3.32 | \$3.26 |
| 168 Months | \$3.43 | \$3.37 |
| 180 Months | \$3.54 | \$3.49 |

For periods that do not equal an integral number of years, the rates may be interpolated to the upper quarter of a year with finer interpolations permitted to the equivalent of the nearest month. For example, the rates for a period from 0 to 3 months for the 14-day plan would be one-fourth of \$0.89 or \$0.22.

Rates for policies of credit accident and health insurance where the premiums are paid other than on a single premium basis must be actuarially equivalent with the rates specified above.

For open-ended monthly outstanding balance policies that are subject to reporting on the NAIC Credit Accident and Health Insurance Part 2C blank, insurers should calculate their premiums and then apply an 80% factor.

The Department will not approve rates that deviate from the prima facie rates.

II. OPPORTUNITY FOR A HEARING

Regulation 69-11.1.D.(5) provides that “every insurer which feels aggrieved by any of the rates so promulgated shall have fifteen days to request a public hearing with respect to such rate or rates.” Accordingly, all requests for a hearing must be submitted to the Department in writing on or before August 23, 2025. Please direct any requests for a hearing to the attention of:

Bulletins are the method by which the Director of Insurance formally communicates with persons and entities regulated by the Department. Bulletins are departmental interpretations of South Carolina insurance laws and regulations and provide guidance on the Department’s enforcement approach. Bulletins do not provide legal advice. Readers should consult applicable statutes and regulations or contact an attorney for legal advice or for additional information on the impact of that legislation on their specific situation.

Gwendolyn McGriff
General Counsel
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All requests must include documentation supporting your position that the tentative rates for credit accident and health insurance need to be changed. After any requested hearings have been held, the final rates or an affirmation of the tentative rates shall be sent to all companies before October 1, 2025.

III. QUESTIONS

Any questions or concerns about this Bulletin should be submitted in writing to the attention of:

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