

WAC 284-74-545 Applicability to WAC 284-74-300 through 284-74-380.

(1) The 2017 CSO mortality table may be used in applying WAC 284-74-300 through 284-74-380 in the following manner, subject to the transition dates for use of the 2017 CSO mortality table in WAC 284-74-535 of this regulation (unless otherwise noted, the references in this section are to WAC 284-74-300 through 284-74-380):

(a) WAC 284-74-320 (1)(b)(ii): The net level reserve premium is based on the ultimate mortality rates in the 2017 CSO mortality table.

(b) WAC 284-74-330(2): All calculations are made using the 2017 CSO mortality rate, and, if elected, the optional minimum mortality standard for deficiency reserves stipulated in (d) of this subsection. The value of " $q_{x+k+t-1}$ " is the valuation mortality rate for deficiency reserves in policy year $k+t$, but using the unmodified select mortality rates if modified select mortality rates are used in the computation of deficiency reserves.

(c) WAC 284-74-340(1): The 2017 CSO mortality table is the minimum standard for basic reserves.

(d) WAC 284-74-340(2): The 2017 CSO mortality table is the minimum standard for deficiency reserves. If select mortality rates are used, they may be multiplied by X percent for durations in the first segment, subject to the conditions specified in WAC 284-74-340 (3)(a) through (i). In demonstrating compliance with those conditions, the demonstrations may not combine either: (i) The results of tests that utilize the 1980 CSO mortality table with those tests that utilize the 2017 CSO mortality table; or (ii) the results of tests that utilize the 2001 CSO mortality table with those tests that utilize the 2017 CSO mortality table, unless the combination is explicitly required by regulation or necessary to be in compliance with relevant actuarial standards of practice.

(e) WAC 284-74-350(3): The valuation mortality table used in determining the tabular cost of insurance is the ultimate mortality rates in the 2017 CSO mortality table.

(f) WAC 284-74-350 (5)(e): The calculations specified in WAC 284-74-350(5) must use the ultimate mortality rates in the 2017 CSO mortality table.

(g) WAC 284-74-350 (6)(e): The calculations specified in WAC 284-74-350(6) must use the ultimate mortality rates in the 2017 CSO mortality table.

(h) WAC 284-74-350 (7)(b): The calculations specified in WAC 284-74-350(7) must use the ultimate mortality rates in the 2017 CSO mortality table.

(i) WAC 284-74-360 (1)(a)(ii): The one-year valuation premium must be calculated using the ultimate mortality rates in the 2017 CSO mortality table.

(2) Nothing in this section expands the applicability of WAC 284-74-300 through 284-74-380 to include life insurance policies exempted under WAC 284-74-320(1).

[Statutory Authority: RCW 48.02.060, 48.74.030, 48.76.050, and 48.02.160. WSR 17-03-074 (Matter No. R 2016-24), § 284-74-545, filed 1/11/17, effective 2/11/17.]