

**WEST VIRGINIA  
SECRETARY OF STATE  
JOE MANCHIN, III  
ADMINISTRATIVE LAW DIVISION**

Form #2

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2003 MAY 28 P 4:09

OFFICE WEST VIRGINIA  
SECRETARY OF STATE

**NOTICE OF A COMMENT PERIOD ON A PROPOSED RULE**

AGENCY: Insurance Commissioner TITLE NUMBER: 114

RULE TYPE: Procedural CITE AUTHORITY: W. Va. Code §33-2-10

AMENDMENT TO AN EXISTING RULE: YES  NO

IF YES, SERIES NUMBER OF RULE BEING AMENDED: \_\_\_\_\_

TITLE OF RULE BEING AMENDED: \_\_\_\_\_

IF NO, SERIES NUMBER OF RULE BEING PROPOSED: 67

TITLE OF RULE BEING PROPOSED: Rate and Form Filing Abstracts

IN LIEU OF A PUBLIC HEARING, A COMMENT PERIOD HAS BEEN ESTABLISHED DURING WHICH ANY INTERESTED PERSON MAY SEND COMMENTS CONCERNING THESE PROPOSED RULES. THIS COMMENT PERIOD WILL END ON June 27, 2003 AT 4:30 PM ONLY WRITTEN COMMENTS WILL BE ACCEPTED AND ARE TO BE MAILED TO THE FOLLOWING ADDRESS:

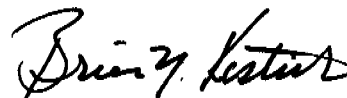
Gara A. Hoke, Associate Counsel

West Virginia Insurance Commission

P.O. Box 50540

Charleston, WV 25305-0540

THE ISSUES TO BE HEARD SHALL BE LIMITED TO THIS PROPOSED RULE.



Authorized Signature

ATTACH A **BRIEF** SUMMARY OF YOUR PROPOSAL

8.00

Insurance Commissioner  
Procedural Rule  
Title 114, Series 67

## **RATE AND FORM FILING ABSTRACTS**

**TITLE 114, SERIES 67**

### **BRIEF SUMMARY OF RULE**

This procedural rule is promulgated to incorporate all accident and sickness and property and casualty rate and form filing abstracts into one rule. By placing all of these abstracts into one procedural rule, it ensures efficiency for companies using the forms, as they are more easily accessible. Secondly, the mere placement of these abstracts in a procedural rule allows the forms to be amended with greater ease should the need arise.

Insurance Commissioner  
Procedural Rule  
Title 114, Series 67

**RATE AND FORM FILING ABSTRACTS**

**TITLE 114, SERIES 67**

**STATEMENT OF CIRCUMSTANCES**

Due to changes in rate and form filing requirements and fees, the Insurance Commissioner's Office determined that it was necessary for the rate and form filing abstracts to be amended. As the amendments to these abstracts took shape at the Insurance Commission, it was evident that legislative rule amendments would have to occur in at least one case. To ensure greater ease with regard to amending abstracts in the future and offering current abstracts to companies, the Insurance Commission determined that a new procedural rule that would incorporate all of the abstracts would best accomplish this goal. Therefore, found in Series 67 are seven abstracts attached as Appendices.

APPENDIX B

FISCAL NOTE FOR PROPOSED RULES

Rule Title: RATE AND FORM FILING ABSTRACTS  
SERIES 67

Type of Rule: \_\_\_ Legislative \_\_\_ Interpretive  X  Procedural

Agency: Insurance Commissioner

Address: Post Office Box 50540  
1124 Smith Street, Greenbrooke Building  
Charleston, West Virginia 25305-0540

1. Effect of Proposed Rule

	ANNUAL FISCAL YEAR				
	Increase	Decrease	Current	Next	Thereafter
ESTIMATED TOTAL COST	None	None	None	None	None
PERSONAL SERVICES	None	None	None	None	None
CURRENT EXPENSE	None	None	None	None	None
REPAIRS AND ALTERNATIONS	None	None	None	None	None
EQUIPMENT	None	None	None	None	None
OTHER	None	None	None	None	None

2. Explanation of above estimates:

The rule will have no additional fiscal impact upon state government.

3. Objectives of these rules:

This procedural rule is promulgated to incorporate all accident and sickness and property and casualty rate and form filing abstracts. By placing all of these abstracts into one procedural rule, it ensures efficiency for companies using the forms, as they are more easily accessible. Secondly, the mere placement of these abstracts in a procedural rule allows the forms to be amended with greater ease should the need arise.

**Rule Title:** RATE AND FORM FILING ABSTRACTS  
Title 114, Series 67

**4. Explanation of Overall Economic Impact of Proposed Rule.**

**A. Economic Impact on State Government.**

None

**B. Economic Impact on Political Subdivisions; Specific Industries; Specific groups of Citizens.**

None

**C. Economic Impact on Citizens/Public at Large.**

None

**Date:** May 28, 2003

**Signature of Agency Head or Authorized Representative**

  
\_\_\_\_\_  
Jane L. Cline, Insurance Commissioner

**TITLE 114**

**WEST VIRGINIA PROCEDURAL RULE  
INSURANCE COMMISSIONER**

**SERIES 67  
RATE AND FORM FILING ABSTRACTS**

Section

114-67-1. General.

114-67-2. Definitions.

114-67-3. Rate Filing Requirements.

114-67-4. Applicability of Forms.

Appendix A. Accident and Sickness Insurance Form Filing Abstract - ASA-F-2003

Appendix B. Mass Marketed Life and Health Insurance Form Filing Abstract - ASA-F-2003A

Appendix C. Mass Marketed Life and Health Insurance Advertising Filing Abstract - ASA-F-2003B

Appendix D. Accident and Sickness Insurance Rate Filing Abstract - ASA-R-2003

Appendix E. Adoption of Rating Organization Advisory Prospective Loss Costs Reference Filing Form - PCA-LCR-2003

Appendix F. Property and Casualty Rate Filing Abstract - PCA-R-2003

Appendix G. Property and Casualty Form Filing Abstract - PCA-F-2003

TITLE 114

FILED

WEST VIRGINIA PROCEDURAL RULE  
INSURANCE COMMISSIONER

2003 MAY 28 P 4:09

SERIES 67  
RATE AND FORM FILING ABSTRACTS

OFFICE WEST VIRGINIA  
SECRETARY OF STATE

**§114-67-1. General.**

1.1. Scope. -- This procedural rule establishes requirements for information and data to be provided to the Insurance Commissioner with the filing of rates, rate adjustments and forms for accident and sickness insurance policies and property and casualty insurance policies. The purpose of this rule is to provide the Insurance Commissioner with the information necessary to ensure that rates for property and casualty insurance are reasonable in relation to the benefits provided under the policy as required by W. Va. Code §33-6-9(e). This rule applies to all individual accident and sickness insurance policy forms, all group accident and sickness insurance policy forms, and applicable property and casualty policy forms which are delivered or issued for delivery in this State which are not negotiated for with the policyholder and experience rated.

1.2. Authority. -- W. Va. Code §§ 33-2-10.

1.3. Filing Date. --

1.4. Effective Date. --

**§114-67-2. Definitions.**

2.1. A "policy" or "policy form" includes the contract effecting insurance, or the certificate thereof, and includes any riders, endorsements or amendments attached to the base contract.

2.2. An "experience rated group," for purposes of this rule, means a group eligible for group accident and sickness insurance pursuant to W. Va. Code §33-16-2 and whose premium rates are based on the historic and/or projected loss experience of the individual group standing alone.

2.3. A "community rated group" is a group eligible for group accident and sickness insurance pursuant to W. Va. Code §33-16-2 and whose premium rates are based on the historic and/or projected loss experience of a pool of group policies.

**§114-67-3. Rate Filing Requirements.**

**Insurance Commissioner  
Procedural Rule  
Title 114, Series 67**

3.1. Every policy, rider or endorsement form which is submitted to the Commissioner for approval shall be accompanied by a rate filing if such policy, rider, or endorsement form in any way involves a new product which has not been previously approved or in any way effects a rate change. A reduction in benefits while maintaining the same rate shall be considered a rate change. Any subsequent additions to rate schedules or changes in rates applicable to such forms shall also be filed for approval.

3.2. Each rate filing shall include the appropriate filing fee, filing abstract(s), a cover letter explaining the nature of the filing, and all relevant information describing the basis on which the rates were determined and the calculations of the anticipated loss ratio. Interest, at a rate consistent with that assumed in the determination of premiums, shall be used in the calculation of the loss ratio.

**§114-67-4. Applicability of Forms.**

4.1. When rates or forms are filed with the Insurance Commissioner for either accident and sickness or property and casualty insurance, Appendix A, B, C, D, E, F, or G to this rule, as appropriate, must be completed and made a part of the filing.

APPENDIX A

INSURANCE COMMISSIONER  
STATE OF WEST VIRGINIA

ACCIDENT AND SICKNESS INSURANCE  
FORM FILING ABSTRACT

**INSTRUCTIONS:** All questions *must* be answered; if the answer is "no" or "not applicable", so state and please enter the reason for such determination. If this filing is a combination form and rate filing, the Rate Filing Abstract Form ASA-R-2003 must also be completed.

1. Date Filed: \_\_\_\_\_ Proposed Effective Date: \_\_\_\_\_

2. Company Name: \_\_\_\_\_

3. Policy / Contract Type(s) Affected: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

4. Reason(s) for Proposed Form Changes / Filing: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

5. Provide on Page 2 of this Form ASA-F-2003 the requested information for each form being filed, revised or withdrawn. Attach additional sheets if necessary.

**CERTIFICATION:** I hereby certify that the information contained in this Form Filing Abstract is true and correct to best of my knowledge and belief.

(Signed) \_\_\_\_\_

(Title) \_\_\_\_\_

A & S Form Filing Abstract

FORM NUMBER	REPLACES FORM # (If Applicable)	Description of Coverage and/or Intended Use of the Form—Indicate if Form is New, a Replacement of a Current Form, or to be Withdrawn.

## APPENDIX B

### MASS MARKETED LIFE AND HEALTH INSURANCE FORM FILING ABSTRACT

The following are data and information requests concerning the policy forms and Policy contract provisions.

- (1) Date Filed \_\_\_\_\_
- (2) Proposed effective date \_\_\_\_\_
- (3) Policy types affected (i.e.: health or life) Provide a brief statement itemizing coverage.
- (4) Provide a copy of the entire policy and contract provisions.
- (5) All forms and policy disclosures should be itemized in accordance with the index of forms you provide on page 2 of this abstract.
- (6) All policies and related forms being submitted for approval shall be submitted in duplicate. One copy will be retained by the Department, the other copy will be returned to the insurer with the action taken by this Department. All forms should be duly numbered. A postage-paid envelope must be submitted with all filings.
- (7) If the form is new, not replacing an existing form, a statement to that effect should be made.
- (8) If the form contains provisions, conditions, or concepts, which depart from those generally accepted by the industry, a statement to this effect should point out the purpose and use of the form.
- (9) Submission letters should state whether or not the form has been approved or authorized for use by the Insurance Department of the insurer's state of domicile.
- (10) Every policy form and every rider or endorsement to be used which affects the premium rate scheduled for a policy form, submitted for approval shall be accompanied by a rate filing.

**MASS MARKETED LIFE AND/OR HEALTH INSURANCE  
FORM ABSTRACT**

FORM NUMBER	REPLACES FORM # (if applicable)	Description of Coverage and / or Intended Use of the Form. Indicate if the Form is New, a Replacement of a Current Form, or to be Withdrawn.

**APPENDIX C**

**WEST VIRGINIA  
MASS MARKETED LIFE AND HEALTH INSURANCE  
ADVERTISING FILING ABSTRACT**

The following are the points of disclosure that apply to the advertising activities associated with mass marketed life and health insurance. Please provide the following information.

- 1) Television advertisements must be submitted in the Form of a ¾ inch VHS videocassette tape and be accompanied by a written script.
- 2) Radio advertisements must be submitted in the form of an audio cassette tape and be accompanied by a written script.
- 3) Printed advertising and sales solicitation material to be sent through the mail must be submitted in the printed form in which it will be mailed.
- 4) All other printed advertising and sales solicitation material, including but not limited to material appearing in newspapers and other periodicals, must be submitted in written form and be accompanied by an explanation of its intended use.

**MASS MARKETED LIFE AND/OR HEALTH INSURANCE  
ADVERTISING ABSTRACT**

FORM NUMBER	MATERIALS REPLACED	Description of Submission and / or Intended Use

**APPENDIX D**

**INSURANCE COMMISSIONER**

**STATE OF WEST VIRGINIA**

**ACCIDENT AND SICKNESS INSURANCE  
RATE FILING ABSTRACT**

**INSTRUCTIONS:** All questions must be answered; if the answer is "no" or "not applicable", so state and enter the reason for such determination. USE A SEPARATE ABSTRACT FOR EACH POLICY FORM AFFECTED, OR FOR EACH PROPOSED PREMIUM RATE ADJUSTMENT. If this filing is a combination rate and form filing, the Form Filing Abstract Form ASA-F-2003 must also be completed. Is there a form filing which corresponds to this rate filing? Yes \_\_\_\_\_ No \_\_\_\_\_

**I. General**

1. Date Filed \_\_\_\_\_ Proposed Effective Date \_\_\_\_\_
2. Company Name: \_\_\_\_\_ Part of Group: \_\_\_\_\_
3. Policy/Contract Affected:
  - a. Department ID Number: \_\_\_\_\_  
(If form has previously been approved.)
  - b. Form Number: \_\_\_\_\_
  - c. Date of Approval: \_\_\_\_\_  
(If over 2 years provide copies of all forms affected.)
  - d. Type of Policy: \_\_\_\_\_
4. Average Current and Proposed Premium Rate Levels - Indicate mode for each (i.e. monthly, quarterly, annually)  

Current Rate:	Single	Family
Proposed Rate:	Single	Family

**II. Data for new policy form - (Use separate sheets for response if necessary.)**

1. Indicate anticipated loss ratio and how calculated.
2. Describe how rates were determined indicating all calculations, formula and variables used and a general description and source of each assumption used.
3. Provide the policy form, applications and any riders or endorsements that may be attached to the base policy.

4. Describe the marketing method to be used for this form.

**III. Adjustments to Approved Rates**

1. Provide rate sheets which compare revised premiums with current premiums at all benefit levels.
2. Provide all policy forms affected by this proposed rate adjustment if the forms have been in effect in West Virginia for more than two years.
3. Number of West Virginia policies in force in each of the last five years.

	# of Policies	% Change
5th Prior Year _____	_____	_____
4th Prior Year _____	_____	_____
3rd Prior Year _____	_____	_____
2nd Prior Year _____	_____	_____
1st Prior Year _____	_____	_____

4. List all rate level changes for the last five years on the policy affected by this proposed premium rate adjustment.

a. West Virginia	Percentage Effective Date	Adjustment
5th Prior Year _____	_____	_____
4th Prior Year _____	_____	_____
3rd Prior Year _____	_____	_____
2nd Prior Year _____	_____	_____
1st Prior Year _____	_____	_____

b. Countrywide	Effective Date	Percentage Adjustment
5th Prior Year _____	_____	_____
4th Prior Year _____	_____	_____
3rd Prior Year _____	_____	_____
2nd Prior Year _____	_____	_____
1st Prior Year _____	_____	_____

5. Provide the following information:

	WEST VIRGINIA		COUNTRYWIDE	
	Earned Premium (000)	Incurred Losses (000)	Earned Premium (000)	Incurred Losses (000)
5th Prior Year _____	_____	_____	_____	_____
4th Prior Year _____	_____	_____	_____	_____
3rd Prior Year _____	_____	_____	_____	_____
2nd Prior Year _____	_____	_____	_____	_____
1st Prior Year _____	_____	_____	_____	_____
Report Year _____	_____	_____	_____	_____
TOTAL _____	_____	_____	_____	_____

6. Provide a breakdown of losses associated with vintage policy years.

WEST VIRGINIA				
<u>Written Policy Age</u>	<u>Earned Premium</u>	<u>Incurred Premium</u>	<u>Trended Losses</u>	<u>Developed Incurred Losses</u>
Over 4 years	_____	_____	_____	_____
3 Years	_____	_____	_____	_____
2 Years	_____	_____	_____	_____
1 Year	_____	_____	_____	_____

COUNTRYWIDE				
<u>Written Policy Age</u>	<u>Earned Premium</u>	<u>Incurred Premium</u>	<u>Trended Losses</u>	<u>Developed Incurred Losses</u>
Over 4 years	_____	_____	_____	_____
3 Years	_____	_____	_____	_____
2 Years	_____	_____	_____	_____
1 Year	_____	_____	_____	_____

7. A. Provide a breakdown of the percentage of earned premium associated with each of the following areas of cost:

Commission and brokerage	_____	%
Taxes, License, Fees	_____	%
General Administrative	_____	%
Risk Retention	_____	%
Profit	_____	%
Other (describe)	_____	%
TOTAL EXPENSES	_____	%

B. Indicate minimum loss ratio for this type of policy. \_\_\_\_\_

8. Address in narrative form the following requests for information:
  - (a) Explain trending methods used. Provide trended loss data (by significant loss category) and provide a clear explanation of the trending methodology and mathematics. Provide all formulas and calculations used in formulation of the trended data.
  - (b) Explain the manner in which credibility of data is considered in your ratemaking process. Show all formulas, applications and methodology used to formulate credibility measurements.
  - (c) Explain your indicated rate level. Provide all mathematical formulas and calculations which show the complete deliniation of the method used to calculate the indicated rate level.
  - (d) Explain the manner in which investment income is considered when a final rate level is selected. Provide a complete breakdown of the formulas, variables and methodology used to calculate investment income yield. Further, the weighted average investment income yield earned on reserves for the five years prior to the proposed effective date of new rates.
9. Was any consideration given to mitigating the proposed rate adjustment through benefit restructuring? If not, why not? If so, describe benefit changes proposed and effect on rate adjustment.
10. What is the average age of the policyholder group affected by this filing?
11. Are losses reported on a calendar year or policy year basis?
12. Describe the stop loss provisions of the policy affected by this filing.
13. The amount of Annual Earned Premium entered in Question III 6 of this Rate Filing Abstract accounts for what proportion of the total annual written premium on a countrywide basis for this particular policy/contract? Please be specific in both total dollars and percentage-proportions in West Virginia:

14. Has this proposed premium rate adjustment filing been submitted to any other state insurance departments? If "yes", give specific information as to which states, when filed, each state's proportionate share of the total annual written premium for this particular policy/contract, the status of said filing in each state, and any other pertinent information which may be helpful in our review. Please attach additional sheets if more space is needed.

CERTIFICATION: I hereby certify that the information contained in this Rate Filing Abstract is true and correct to the best of my knowledge.

(Signed) \_\_\_\_\_

(Title) \_\_\_\_\_

APPENDIX E

WEST VIRGINIA INSURANCE COMMISSION  
INSURER RATE FILING  
ADOPTION OF RATING ORGANIZATION ADVISORY PROSPECTIVE LOSS COSTS  
REFERENCE FILING FORM

PART I. GENERAL INFORMATION

1. INSURER NAME: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

ADDRESS: \_\_\_\_\_

GROUP: \_\_\_\_\_

2. INSURER NAIC # \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

3. LINE OF INSURANCE \_\_\_\_\_

4. RATING ORGANIZATION \_\_\_\_\_  
LOSS COST REFERENCE FILING # \_\_\_\_\_

*The above insurer hereby declares that it is a participant of the named rating organization. The insurer hereby files to be deemed to have independently submitted as its own filing the prospective loss costs in the captioned Reference Filing.*

*The insurer's rates will be the combination of the prospective loss costs and the loss cost adjustments specified below.*

5. CURRENT LOSS COST MULTIPLIER \_\_\_\_\_

6. PROPOSED LOSS COST MULTIPLIER \_\_\_\_\_

If you are proposing to make a change to your current multiplier, you must submit an explanation and justification which supports the proposed change.

7. AMOUNT OF CHANGE DUE TO ADOPTION ONLY	_____	%
AMOUNT OF CHANGE DUE TO MULTIPLIER CHANGE	_____	%
PROPOSED OVERALL CHANGE	_____	%

8. PROPOSED EFFECTIVE DATE FOR THIS FILING \_\_\_\_\_

9. AMOUNT OF OVERALL PRIOR RATE CHANGE \_\_\_\_\_ %  
 EFFECTIVE DATE OF PRIOR RATE CHANGE \_\_\_\_\_  
 LOSS COST REFERENCE FILING # OF PRIOR CHANGE \_\_\_\_\_

10. NUMBER OF POLICYHOLDERS AFFECTED BY THIS PROPOSAL \_\_\_\_\_

*The insurer hereby requests that its loss costs adjustment be applicable to future revisions of the rating organization's prospective loss costs for this line of insurance. The insurer's rates will be the combination of the rating organization's loss costs and the insurer's loss cost adjustments. The rates will apply to policies written on or after the effective date of the rating organization's prospective loss costs. This authorization is effective until amended or withdrawn by the insurer, except for Loss Cost Modifications are renewable annually.*

**PART II. PRICING INFORMATION**

**A. INSURER LOSS COST MODIFICATION**

SELECT ONE

\_\_\_\_\_ The above insurer hereby files to adopt the prospective loss costs in the captioned Reference Filing without modification.

\_\_\_\_\_ The above insurer hereby files to adopt the prospective loss costs in the captioned Reference Document with the following modification(s). (Cite nature and percent deviation, and attach supporting data and /or rationale for the deviation

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

**B. INSURER EXPENSE COMPONENT** (Attach exhibit detailing insurer expense data/and or other supporting information. Use separate sheets if more than one set of expenses is to be used.)

- a) Total Production Expense \_\_\_\_\_ %
- b) General Expense \_\_\_\_\_ %
- c) Taxes, Licenses & Fees \_\_\_\_\_ %
- d) Underwriting Profit and Contingencies \_\_\_\_\_ %
- e) Miscellaneous \_\_\_\_\_ %
- f) Investment Income ( ) %
- g) TOTAL \_\_\_\_\_ %

**C. INSURER LOSS COST ADJUSTMENT MULTIPLIER** (combination of Insurer Loss Cost Modification [A. Above] and Insurer Expense Component [B. Above]) Attach separate sheets if needed. \_\_\_\_\_

*If the information is not available and the proposed adjustments are based on other than the above information, explain basis for development of adjustments.*

**D. INSURER EXPENSE CONSTANT** (if applicable) \_\_\_\_\_

**E. SIGNATURE** \_\_\_\_\_

Name (Print) \_\_\_\_\_

Title \_\_\_\_\_

Company \_\_\_\_\_

Address \_\_\_\_\_

Telephone \_\_\_\_\_

**APPENDIX F**

**WEST VIRGINIA INSURANCE COMMISSION  
PROPERTY AND CASUALTY RATE FILING ABSTRACT**

**INSTRUCTIONS:** All questions must be answered; if the answer is "none" or "not applicable", so state. Companies filing as a group must use a consolidated abstract if the rates are identical. If this is a combination Rate and Form Filing, the Form Filing Abstract (Form PCA-F) must also be completed.

1. **Date Filed:** \_\_\_\_\_ **Proposed Effective Date:** \_\_\_\_\_

2. a) **Company Name(s):** \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

b) **Part of Group:** \_\_\_\_\_

3. a) **Class/Coverage affected by filing:** \_\_\_\_\_

b) **Term of policy to be written:** \_\_\_\_\_

c) **Is coverage written on a claims-made or occurrence basis?**

**Claims-Made**  **Occurrence**

d) **Company gross written premium (latest calendar year) for 3(a)**

**West Virginia \$** \_\_\_\_\_ **Countrywide \$** \_\_\_\_\_

4. **List all rate level changes for the last five years for the class/coverage affected by this filing:**

Effective Date		Individual Coverages	All Coverages Combined
New	Renewal		
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

**5. Number of West Virginia Policies in force in each of the last five years:**

	Number of Policies	Percent Change
5th Prior Year _____	_____	_____
4th Prior Year _____	_____	_____
3rd Prior Year _____	_____	_____
2nd Prior Year _____	_____	_____
1st Prior Year _____	_____	_____

**6. a) Estimated premium effect of the filing:**

Annual Written Premium	Percent Change Requested	Additional Annual Premium
\$ _____	_____ %	\$ _____
\$ _____	_____ %	\$ _____
\$ _____	_____ %	\$ _____
\$ _____	_____ %	\$ _____
\$ _____	_____ %	\$ _____

**b) Components of proposed rate level change(s):**

<u>Coverage</u>	Indicated Rate Level Change(s)	Proposed Rate Level Change(s)	Components of Proposed Rate Level Changes			
			(A) Basic Rate Change	(B)*	(C)*	(D)*
_____	_____ %	_____ %	_____ %	_____ %	_____ %	_____ %
_____	_____ %	_____ %	_____ %	_____ %	_____ %	_____ %
_____	_____ %	_____ %	_____ %	_____ %	_____ %	_____ %
_____	_____ %	_____ %	_____ %	_____ %	_____ %	_____ %
_____	_____ %	_____ %	_____ %	_____ %	_____ %	_____ %

*\*Examples of some components are classification changes, increased limit changes, deductible changes, age or symbol changes, policy form changes, changes in tier factors, and other manual rate changes.*

7. Provide the following calendar year information for the coverage stated in 3(a):

**WEST VIRGINIA**

	<u>Earned Premium</u> (000)	<u>Incurred Losses</u> (000)	<u>Unadjusted Loss Ratio</u>
5th Prior Year _____	\$ _____	\$ _____	_____ %
4th Prior year _____	\$ _____	\$ _____	_____ %
3rd Prior Year _____	\$ _____	\$ _____	_____ %
2nd Prior Year _____	\$ _____	\$ _____	_____ %
1st Prior Year _____	\$ _____	\$ _____	_____ %
TOTAL	\$ _____	\$ _____	_____ %

**COUNTRYWIDE**

	<u>Earned Premium</u> (000)	<u>Incurred Losses</u> (000)	<u>Unadjusted Loss Ratio</u>
5th Prior Year _____	\$ _____	\$ _____	_____ %
4th Prior year _____	\$ _____	\$ _____	_____ %
3rd Prior Year _____	\$ _____	\$ _____	_____ %
2nd Prior Year _____	\$ _____	\$ _____	_____ %
1st Prior Year _____	\$ _____	\$ _____	_____ %
TOTAL	\$ _____	\$ _____	_____ %

**8. PROPERTY CASUALTY PROCEDURAL INFORMATION (include exhibits)**

The filing should be easy to read and understand. It should be self-explanatory and should be well documented.

**The answers to the following questions should be a part of the filing:**

- a) If the methods used in this filing differ from those used in the last rate filing for this coverage in West Virginia, or if the West Virginia methods differ from those used countrywide, attach an explanation of the differences.
- b) Are the proposed rates specific to West Virginia, or are the same rates to be charged on a Countrywide basis?
- c) Are there any insureds that will be affected by the proposed changes (i.e. do you have any West Virginia business that will be impacted by the proposal)? If so, what is the overall impact of all of the proposed changes?
- d) Explain the type of loss information used in this rate filing. For example, was it Calendar Period or Accident period; and was it based on Basic limits data or Total limits data? Provide the date at which the data was evaluated.
- e) Explain and support any premium trend, premium-on-level, or loss trend factors utilized in the indication.
- f) If Policy or Accident period data has been used, explain any tests or adjustments that were made to loss development factors so as to make them appropriate for use in this filing. Loss development factors should be shown by coverage both for West Virginia and countrywide. Provide support for loss development factors utilized.
- g) Explain any adjustments for large or catastrophic losses that were made in the statistical information on losses. Provide support for catastrophic loss factors utilized
- h) Demonstrate how the expected income from investments have been taken into account in arriving at the proposed rates?
- i) Provide the derivation of your permissible and expected loss ratios. Explain any changes in those provisions between this filing and the previous filing.
- j) Provide any additional information supporting and clarifying your request.

9. Provide a summary of the developed data and experience in 10 above as follows:

	Current Level Earned	Trended Developed Incurred Losses	Adjusted Loss Ratio
5th Prior Year _____	\$ _____	\$ _____	_____ %
4th Prior year _____	\$ _____	\$ _____	_____ %
3rd Prior Year _____	\$ _____	\$ _____	_____ %
2nd Prior Year _____	\$ _____	\$ _____	_____ %
1st Prior Year _____	\$ _____	\$ _____	_____ %
TOTAL	\$ _____	\$ _____	_____ %

10. Business Expense Provisions that are used to determine Permissible Loss Ratio.

Commission and Brokerage	_____ %
New Acquisition	_____ %
General	_____ %
Taxes, Licenses, Fees, Etc.	_____ %
Other	_____ %
Profit and Contingencies	_____ %
TOTAL EXPENSES	_____ %
Pure Permissible Loss Ratio	_____ %
Loss Adjustment Expenses	_____ %
Allocated	_____ %
Unallocated.	_____ %
Total permissible loss and loss adjustment expense ratio	_____ %

**11. Insurance Expense Exhibit. Expense Ratios (%) on a written premium basis over the past 5 years for the coverage in 3(a) above:**

	Percent Annual					5 year Average
	YEAR	YEAR	YEAR	YEAR	YEAR	
	_____	_____	_____	_____	_____	
a) Commission & Brokerage	_____	_____	_____	_____	_____	_____
b) New Acquisition	_____	_____	_____	_____	_____	_____
c) General	_____	_____	_____	_____	_____	_____
d) Taxes, etc.	_____	_____	_____	_____	_____	_____
e) SUBTOTAL (a)+(b)+(c)+(d)	_____	_____	_____	_____	_____	_____
f) WV Calendar Yr Loss Ratio	_____	_____	_____	_____	_____	_____
g) Combined Ratio (e)+(f)	_____	_____	_____	_____	_____	_____
h) Investment Gain/(Loss)	_____	_____	_____	_____	_____	_____

**12. The above information is correct to the best of my knowledge and belief.**

Signed \_\_\_\_\_

Title \_\_\_\_\_

**APPENDIX G**

**WEST VIRGINIA INSURANCE COMMISSION**

**PROPERTY AND CASUALTY FORM FILING ABSTRACT**

**INSTRUCTIONS:**

All questions must be answered. (If none, state none.)

If this is a combination Rate & Form Filing, PCA-R Rate filing Abstract must also be completed. Companies filing as a group may use a consolidated abstract if all forms are identical. Individual companies and Group must be identified.

1. Date Filed \_\_\_\_\_ Proposed Effective Date \_\_\_\_\_

2. Company Name(s) \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Group Name: \_\_\_\_\_

3. (a) Annual Statement Line of Business Number \_\_\_\_\_  
(b) Class of business \_\_\_\_\_  
(c) Coverages Affected \_\_\_\_\_  
(d) Number of present policyholders potentially affected by this filing \_\_\_\_\_

4. (a) Name of Rating Organization, if any: \_\_\_\_\_

(b) Affiliation: Member  Subscriber   
For Rules  Rates  Forms

5. Is this a reference filing? Yes  No  If yes, provide the following:

(a) Filing designation and name \_\_\_\_\_  
(b) Date of Filing \_\_\_\_\_  
(c) Date Approved for use in WV \_\_\_\_\_

6. Provide the information requested on Page 2 of this form.

7. The information provided is correct to the best of my knowledge and belief.

(Signed) \_\_\_\_\_

(Title) \_\_\_\_\_

