

EMERGENCY RULE 23**PROPERTY, CASUALTY, SURETY AND
MARINE RATE AND FORM FILINGS**

TABLE OF CONTENTS

1. Purpose
2. Authority
3. Applicability and Scope
4. Effective Date
5. Definitions
6. Rate Service Organizations
7. Procedures for Rate and Supplementary Rate Information Filings
8. Procedures for Form Filings
9. Self Certification (“STMSCP” Program)
10. Forms
11. Severability

FORM UT	Property & Casualty Uniform transmittal header
FORM RF-1	Rate filing abstract.
FORM A-1	Private passenger automobile abstract
FORM H-1	Homeowners abstract
FORM RF-2	Reference filing adoption form
FORM RF-WC	Workers' compensation reference filing adoption form
FORM F-1	Form filing abstract
FORM APCS	Automobile survey
FORM HPCS	Homeowners survey
FORM MMPCS	Medical Malpractice survey
FORM HONOT	Homeowners rate notice
FORM PPANOT	Private passenger automobile rate notice
FORM PROMAL	Professional malpractice rate increase notice to insured
FORM PRONOT	Professional malpractice rate increase newspaper notice
FORM SELFCERT	Arkansas Certificate of Compliance

*Note, these forms are listed here for convenience and are not exhibits to this Regulation. They are the prescribed forms for use and are available at the Department.

Section 1. Purpose

The purpose of this Rule is to set forth rules and procedural requirements which the commissioner deems necessary to carry out the provisions of Ark. Code Ann. §§23-67-201, et seq., §23-67-219, §23-79-109 and §23-79-110, as to rate and form filings of property, casualty, surety, and marine insurers.

Section 2. Authority

This Rule is issued pursuant to the authority vested in the commissioner by Ark. Code Ann. §23-61-108, §§25-15-202 et seq., §23-67-218, Act 1697 of 2005, and Act 506 of 2005, and other applicable provisions of Arkansas law.

Section 3. Applicability and Scope

This Rule applies to insurance described in Ark. Code Ann. §23-67-203, and §23-67-501, and insurers, rate service or advisory organizations, joint underwriting associations and joint reinsurance organizations making filings under Ark. Code Ann. §§23-67-201, et seq., §23-67-219, §§23-67-501, et seq., and §§23-79-109, et seq., subject to any exemptions the commissioner may order pursuant to Ark. Code Ann. §23-67-206.

Section 4. Emergency

Pursuant to the Commissioner's authority under Ark. Code Ann. §23-61-108, §§25-15-201, et seq., and other applicable laws and rules, the effective date of this Rule is January 1, 2006.

Section 5. Definitions

A. Form Filing.

A “form filing” is documentation setting forth the policy forms, endorsements or other forms to be used in the State of Arkansas by an insurer.

B. Insurance Holding Company Group.

An “insurance holding company” group or system consists of two (2) or more affiliated companies, one or more of which is an insurer as defined in Ark. Code Ann. §23-63-503(3) and Arkansas Insurance Department (“Department”) Rule 15.

C. Expenses.

“Expenses” mean those parts of a rate attributable to acquisition, commissions, selling, inspection, audit, field supervision, collection, general expenses, taxes, licenses and fees.

D. Rate.

“Rate” means the cost of insurance per exposure unit, whether expressed as a single number or as prospective loss cost, and an adjustment to account for the treatment of expenses, profit and variations in loss experience, prior to any application of individual risk variations based on loss or expense considerations, and does not include minimum premiums.

E. Supplementary Rate Information

“Supplementary rate information” means any manual, minimum premium, rating schedule or plan of policy writing rules, rating rules, classification system, territory codes and descriptions, rating plans and any other similar information needed to determine, clarify or support the applicable premium for an insured. Supplementary rate information includes factors and relativities, such as increased limits factors, classification relativities, deductible relativities or similar factors.

F. Supporting Information.

“Supporting information” means information, including supporting actuarial data, which includes (i) the experience and judgment of the insurer and the experience or data of other insurers or advisory organizations relied upon by the insurer, (ii) the interpretation of any statistical data relied upon by the insurer, (iii) descriptions of methods used in making the rates, and (iv) actuarial, technical or other services made available by an advisory organization, or other similar information required to be filed by the commissioner to explain, clarify or justify a filing.

G. Prospective Loss Costs.

“Prospective loss costs” means that portion of a rate that does not include provisions for expenses (other than loss adjustment expenses) or profit, and are based on historical aggregate losses and loss adjustment expenses adjusted through development to their ultimate value and projected through trending to a future point in time.

H. Participating Insurer.

“Participating insurer” means any member, subscriber or service purchaser of an advisory organization.

Section 6. Rate Service Organizations

A. Advisory Organizations - Permitted Activity.

Every advisory organization shall file with the Department every proposed document thirty (30) days prior to the effective date. The Department may extend the review period an additional thirty (30) days by written notice to the filer before the thirty (30) day period expires. Any advisory organization, in addition to other activities permitted, is authorized to:

1. Prepare and distribute rates, supplementary rate information and supporting information in accordance with Ark. Code Ann. §23-67-216 and §23-67-219; however, such filings are for advisory purposes only and shall not be made on behalf of any insurer.

2. Prepare and file on behalf of members and subscribers, policy forms and endorsements and consult with members, subscribers and others relative to their use and application. Every company that is a member or subscriber shall use these forms as filed on its behalf unless it advises the commissioner of either its intention not to adopt, to delay adoption of one or more of the forms filed, or to file its own forms. If the intention is to adopt, not adopt, or delay implementation, then a letter stating the intention is sufficient.

3. An advisory organization may develop and make reference filings containing advisory prospective loss costs in accordance with Ark. Code Ann. §23-67-216. Such filings shall contain the statistical data and supporting information for any calculations or assumptions underlying those prospective loss costs.

4. The commissioner may require members and subscribers to provide information regarding their use of specific advisory organization forms.

5. Final rates for residual markets may be prepared and filed by Plan Administrators as directed by the Department.

B. Advisory Organizations - Prohibited Activity.

1. An advisory organization cannot file any plan of rates or supplementary rate information on behalf of an insurer.

2. An advisory organization cannot file, distribute or compile recommendations relating to rates that include expenses (other than loss adjustment expenses) or profit except in the lines of insurance as may be designated by the commissioner. An advisory organization may, however, provide insurers with an annual study of aggregate average expense data and investment income.

Section 7. Procedures for Rate and Supplementary Rate Information Filings

A. For All Lines Other Than Workers' Compensation and Employers' Liability.

1. Property and Casualty Transmittal Documents.

a. If a copy of the filing, bearing the appropriate stamp of the Department, is to be returned to the filer, two (2) copies of the Property and Casualty Transmittal Document and filing are required, together with a postage-paid envelope large enough to accommodate the return filing and addressed to the filing insurer, insurance holding company or group, or advisory organization. Insurance holding company groups submitting rate filings simultaneously for affiliated companies must file a Property and Casualty Transmittal Document for each affiliated company. A copy of the Property and Casualty Transmittal Document shall be included for each company. Only one (1) complete copy of the rate documents and supporting information need be filed for Departmental records if the documents are applicable to all affiliated companies. However, if there are any deviations between or among affiliated companies, supporting information must be submitted for each company along with separate cover letters outlining the

deviations. Each company must submit in the Property and Casualty Transmittal Document or attached explanatory memorandum a synopsis of each exhibit, the location of the supporting information within the filing, and the conclusion of the data.

b. Except for those lines covered by Ark. Code Ann. §§23-67-501, et seq. after January 1, 2006, in a competitive market, as defined under Ark. Code Ann. §23-67-202(2), insurers shall submit to the Department filings with a proposed effective date. Such proposed effective date shall not be less than twenty (20) days after the filing and all information required by Section 7(A)(2) below in this Rule, has been received by the Department, or sooner if approved by the commissioner. If the information required by Ark. Code Ann. §§23-67-201, et seq. and this Rule is not included with the filing, the filing shall be disapproved.

c. In a competitive market, if the Department determines after a hearing or by agreement that an insurer's rates require closer supervision because of the insurer's financial condition or its rating practices, the insurer shall file with the Department at least sixty (60) days prior to the effective date all such rates and such supplementary rate information and supporting information as prescribed by the Department. Upon application by the filer, the Department may authorize an earlier effective date. A filing shall be deemed to meet the requirements of Ark. Code Ann. §§23-67-201, et seq., and to be effective upon the expiration of the waiting period.

d. In a noncompetitive market, insurers shall file with the Department rates, supplementary rate information, and supporting information required by the Department at least sixty (60) days prior to the effective date. Written applications for the Department's approval of an earlier effective date, stating clearly the insurer's reasons for the request, must accompany the filing. A filing shall be deemed to meet the requirements of Ark. Code Ann. §§23-67-201, et seq. and to be effective upon the expiration of the waiting period.

e. Effective January 1, 2006, for those lines of insurance covered by Ark. Code Ann. §§23-67-501, et seq., comprising the professional malpractice lines, except for officers and directors liability and fiduciary insurance, all rates must be either approved or disapproved within sixty (60) days from filing. No rate may be used until it is approved by the commissioner, pursuant to Act 1697 of 2005.

2. Supporting Information Required to Supplement a Filing.

a. Each rate and rule filing submitted shall include the rate and rule transmittal documents. If making a loss cost reference filing, see Section 7(A)(3) of this Rule. Rate and rule filings for Homeowners Insurance and Private Passenger Automobile Insurance must also include the Private Passenger Automobile Abstract (Form A-1), Survey Form APCS or Homeowners Abstract (Form H-1) and Survey Form HPCS. If the filing does not affect the APCS or HPCS previously filed, a statement in a cover letter or on the transmittal document to that effect is acceptable. Rate and form filings must be made separately. (See Section 8, Procedures for Form Filings, below in this Rule). The following required documentation should be identified as an exhibit in the filing, and the exhibits should be numbered to correspond directly with the listing of documentation. If an item required is not available or is inapplicable,

a statement should be included that specifies the inapplicability or unavailability of the particular item.

b. Explain the type of loss information utilized in this rate filing. Specify whether the data reflects a calendar period, accident period, or policy period.

(1) If calendar period information is used, explain any adjustments that have been made to reflect changes in those estimated loss liabilities based on actual claims, and changes in incurred but not reported estimated loss liabilities. If a provision for incurred but not reported estimated loss liabilities is included, specify the calculation changes over the experience period, and the distribution among coverages and states. Loss development factors should be shown by coverage both for Arkansas and countrywide for the past five (5) years.

(2) If policy or accident period data is 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 Arkansas and countrywide for the past five (5) years.

c. If the methods used in this filing differ from those used in the insurer's last rate filing for this coverage in Arkansas, or if the Arkansas methods differ from those used countrywide, attach an explanation of the differences.

d. Explain any adjustments for large or catastrophic losses that were made in the statistical information on losses.

e. Display the calculation of the estimate of investment income on net unearned premiums and loss reserves.

f. Display the calculation of any loading or contingency factor which is used in this filing.

g. Display underwriting expenses. State procedures used in the filing to recognize the distinction between expenses which vary directly with losses, and expenses such as general expenses, which do not vary.

h. State steps taken to control losses for the coverages included in this filing.

i. Explain any adjustments made by the trending components of the filing. If significant trends within this State are utilized, a narrative describing the basis of the trend must be included.

j. The determination of the weighting of credibility assigned to Arkansas must be fully explained.

k. If common classes are grouped together for ratemaking purposes because the data for one particular class is not credible either for Arkansas or countrywide, all class codes utilized

in developing credibility must be stated with Arkansas experience for each class affected shown separately.

1. Any additional information the Department may require pursuant to Ark. Code Ann. §§23-67-202(11)-(12) and §§23-67-401 through 415 must be included.

3. Reference Filings.

a. If an insurer is a participating insurer in an advisory organization and decides to use the prospective loss costs in a reference filing in support of its own filing, the insurer shall make a filing using the Reference Filing Adoption Form (Form RF-2), in addition to the applicable rate and rule transmittal document. The insurer's rates are the combination of the prospective loss costs and the loss cost adjustments contained in Form RF-2. Reference filings for Homeowners must also include the Homeowners Abstract (Form H-1) and Survey Form HPCS. Private Passenger Automobile reference filings shall include the Private Passenger Automobile Abstract (Form A-1) and Survey Form APCS.

b. Any participating insurer in an advisory organization may satisfy its obligation to file rates, the prospective loss costs portion of its rates, supplementary rate information or supporting information, by filing a reference to a filing made by the advisory organization. Such reference filings must include the advisory organization's reference document number.

4. Deviations

An insurer may file a deviation from the reference document as filed by the advisory organization. Such filings shall specify the basis for and adequately justify the request for the deviation and shall be accompanied by the information required in Section 7(A)(2) of this Rule.

5. Loss Cost Filings.

a. An insurer wishing to adopt an advisory organization's current loss cost filing must:

- (1) Provide the documentation required in Section 7(A)(2) of this Rule, indicating whether or not the loss cost multiplier is to be applicable to future filings.
- (2) Provide documentations to support the development of the company's loss cost adjustments.
- (3) Pay the appropriate fees.
- (4) Indicate the insurer's proposed effective date.

b. Upon subsequent revision by an advisory organization of a loss cost filing, an insurer having requested to have its loss cost adjustment applicable to subsequent filings must:

(1) Give notice of its intent to adopt by submitting a letter so stating and provide the advisory organization's reference document number.

(2) Pay the appropriate fees.

(3) Provide a copy of the previously filed Form RF-2 indicating that the loss cost modifier will be applicable to future filings.

c. If an insurer who has filed to have its loss cost adjustments remain on file with the Department intends to delay, modify, or not adopt a particular advisory organization's loss cost reference filing, the insurer must notify the Department in writing. The insurer's on-file loss cost adjustments shall remain in effect until disapproved by the Department, withdrawn by the insurer, or until the insurer files and receives approval of a requested change submitted on a revised Form RF-2.

d. To the extent that an insurer's final rates are determined solely by applying its loss cost adjustments to the prospective loss costs contained in an advisory organization's reference filing, the insurer need not develop or file its final rate pages with the Department. If an insurer chooses to print and distribute final rate pages for its own use, based solely upon the application of its filed loss cost adjustments to an advisory organization's prospective loss costs, the insurer must file those pages with the Department. If the advisory organization does not print the loss costs in its rating manual, the insurer must submit its rates to the Department.

e. Nothing in these procedures shall be construed to require advisory organizations or their participating insurers to immediately re-file rates previously implemented. Any participating insurer of an advisory organization is authorized to continue to use all rates and deviations filed for its use until disapproved, or the insurer makes its own filing, or files Form RF-2 adopting the advisory organization's prospective loss costs or a modification thereof.

6. Property & Casualty Transmittal Documents

All filings made under subsections 1, 3, 4 and 5 of Section 7(A) of this Rule, unless otherwise stated, must include the Property & Casualty Transmittal Document.

B. Procedures for Rate and Supplementary Rate Information Filings. For Workers' Compensation and Employers' Liability Insurance.

All Classification manuals, rules and rates, rating plans, and every modification of any of the foregoing which an insurer proposes to use for workers' compensation and employers' liability insurance shall be approved, or deemed approved, by this Department before such manuals, rules, rates or rating plan can be used. Insurers may file independently or by reference to the loss costs, supporting information or supplementary rate information filed by an advisory organization. Insurers may file deviations to the loss costs filed by an advisory organization.

1. Filing Cover.

If a copy of the filing, bearing the appropriate stamp of the Department, is to be returned to the filer, two (2) copies of the filing cover Property and Casualty Transmittal Document are required, together with a postage-paid envelope large enough to accommodate the return filing and addressed to the filing insurer, insurance holding company or group, or advisory organization. Insurance holding company groups submitting rate filings simultaneously for affiliated companies must file a Property and Casualty Transmittal Document for each affiliated company. A copy of the Property and Casualty Transmittal Document shall be included for each company. Only one (1) complete copy of the rate documents and supporting information need be filed for Departmental records, if the documents are applicable to all affiliated companies. However, if there are any deviations between or among affiliated companies, supporting information must be submitted for each company along with separate Property and Casualty Transmittal Documents outlining the deviations. Each company must submit in the cover letter or attached explanatory memorandum a synopsis of each exhibit, the location of the supporting information within the filing, and the conclusion of the data.

2. Supporting Information Required to Supplement the Filing.

a. Each rate and rule filing submitted shall be accompanied by the Rate Filing Abstract (Form RF-1). If making a loss cost reference filing, see Section 7(B)(5) of this Rule. Rate and form filings must be made separately. The following required documentation should be identified as an exhibit to the filing, and the exhibits should be numbered to correspond directly with the listing of documentation. If an item required is not available or is inapplicable, a statement should be included that specifies the inapplicability or unavailability of the particular item.

b. Explain the type of loss information utilized in this rate filing. Specify whether the data reflects a calendar period, accident period, or policy period.

(1) If calendar period information is used, explain any adjustments that have been made to reflect changes in those estimated loss liabilities based on actual claims, and changes in incurred but not reported estimated loss liabilities. If a provision for incurred but not reported estimated loss liabilities is included, specify the calculation changes over the experience period, and the distribution among coverages and states. Loss development factors should be shown by coverage both for Arkansas and countrywide for the past five (5) years.

(2) If policy or accident period data is 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 Arkansas and company-wide for the past five (5) years.

c. If the methods used in this filing differ from those used in the insurer's last rate filing for this coverage in Arkansas, or if the Arkansas methods differ from those used countrywide, attach an explanation of the differences.

d. Explain any adjustments for large or catastrophic losses that were made in the statistical information on losses.

e. Display the calculation of the estimate of investment income on net unearned premiums and loss reserves.

f. Display the calculation of any loading or contingency factor used in this filing.

g. Display underwriting expenses. State procedures used in the filing to recognize the distinction between expenses which vary directly with losses, and expenses such as general expenses, which do not vary.

h. State steps taken to control losses for the coverages included in this filing.

i. Explain any adjustments made by the trending components of the filing. If significant trends within this State are utilized, a narrative describing the basis of the trend must be included.

j. The determination of the weighting of credibility assigned to Arkansas must be fully explained.

k. If common classes are grouped together for rate making purposes because the data for one (1) particular class is not credible either for Arkansas or countrywide, all class codes utilized in developing credibility must be stated with Arkansas experience for each class affected shown separately.

1. Any additional information the Department may require.

3. Rate Filing Deadlines.

The proposed effective date of the filing shall be not less than thirty (30) days after the filing has been received by the Department. If the information which supplements the filing in accordance with Section 7(B)(2) of this Rule is not sufficient for the Department to determine whether the filing meets the requirements of Ark. Code Ann. §23-67-219, the Department will notify the filing insurer or advisory organization. If the insurer or advisory organization is required to submit additional information, the effective date of the proposed filing shall not be less than thirty (30) days after such information is received by the Department.

4. Maintenance of Uniform Data Base.

Independent filings based upon a classification system other than the classification system filed by a designated advisory organization must be accompanied by an explanation of the method the insurer will utilize to compile and report data in compliance with Ark. Code Ann. §23-67-219(2)(B).

5. Reference Filings.

Any participating insurer in an advisory organization may satisfy its obligation to file the prospective loss cost portion of its rates, supplementary rate information or supporting information, by adopting a reference document filing made by an advisory organization, using Forms RF-WC and RF-1. Workers' compensation and employers' liability insurance filings by advisory organizations are advisory only, and any insurer desiring to use those filings shall submit a filing indicating its intent to file rates, supplementary rate and supporting information by reference to the filing of the licensed advisory organization. The Property and Casualty Transmittal Document shall contain the advisory organization's reference document number applicable to this filing.

6. Deviations.

An insurer shall file all deviations from an advisory organization's most recent loss cost filing. These deviations may be accomplished through the use of the Form RF-WC and attachments thereto. The Form RF-1 should accompany the deviation request. The Department shall approve or disapprove deviations within thirty (30) days after receipt of the completed deviation filing. The deviation shall be effective upon approval by the Department.

7. Loss Costs Filings.

a. An insurer wishing to adopt an advisory organization's current loss cost filing must:

- (1) Provide the documentation required in Section 7(B)(2) of this Rule, indicating whether or not the loss cost multiplier is to be applicable to future filings.
- (2) Provide documentation to support the development of the company's loss cost adjustments.
- (3) Pay the appropriate fees.
- (4) Indicate the insurer's proposed effective date.

b. Upon subsequent revision by an advisory organization of a loss cost filing, an insurer having requested to have its loss cost adjustment applicable to subsequent filings must:

- (1) Give notice of its intent to adopt, by submitting a cover letter so stating, and by providing the advisory organization's reference document number.
- (2) Pay the appropriate fees.
- (3) Provide a copy of the previously filed Form RF-WC, indicating that the loss cost modifier will be applicable to future filings.

c. If an insurer, which has filed to have its loss cost adjustments remain on file with the Department, intends to delay, modify, or not adopt a particular advisory organization's loss cost reference filing, the insurer must notify the Department in writing. The insurer's on-file loss cost adjustments will remain in effect until disapproved by the Department, withdrawn by the insurer, or until the insurer files and receives approval of a revised Form RF-WC.

d. Nothing in these procedures shall be construed to require advisory organizations or their participating insurers to immediately re-file rates previously implemented. Any participating insurer of an advisory organization is authorized to continue to use all rates and deviations filed for its use until disapproved, or the insurer makes its own filing, or files Form RF-WC adopting the advisory organization's prospective loss costs or a modification thereof.

Section 8. PROCEDURES FOR FORM FILINGS - All Lines.

All forms submitted for review shall comply with the applicable provisions of Ark. Code Ann. §§23-79-101, et seq. Pursuant to Ark. Code Ann. §23-79-109, this Section shall not apply to surety bonds, nor to policies, riders, endorsements, or forms of unique character designed for and used to provide insurance upon a particular subject.

1. Property & Casualty Transmittal Header.

a. If a copy of the filing, bearing the appropriate stamp of the Department, is to be returned to the filer, two (2) copies of the filing Property and Casualty Transmittal Document are required, together with a postage-paid envelope of sufficient size to accommodate the return of one (1) copy, and addressed to the filing insurer, insurance holding company group, or advisory organization. One (1) copy of the Property and Casualty Transmittal Document, evidencing the action taken by the Department, will be returned to the filing insurer, insurance holding company group, or advisory organization. An additional copy of the Property and Casualty Transmittal Document, for each affiliated company utilizing the documents, is required.

b. The Property and Casualty Transmittal Document must include sufficient information to identify the forms contained therein completely without need for further reference to attached memoranda, forms, exhibits or other documents.

c. If the information required by Section 8(2) below is not included with the filing, the filing shall be deemed incomplete and will not be reviewed.

d. Any insurer may satisfy its obligation to submit form filings by becoming a member of or subscriber to a licensed advisory organization which makes filings on its behalf, provided that nothing contained in this Rule shall be construed as requiring any insurer to become a member of or a subscriber to any advisory organization. Every company that is a member or subscriber shall use these forms as filed on its behalf unless it advises the commissioner of either its intention not to adopt or to delay one or more of the forms filed. A letter stating its intention is sufficient. An insurer may adopt its own forms by making the appropriate filing.

2. Supporting Information Required to Supplement a Filing.

In addition to the requirements of Section 8(1), insurers submitting a form filing are required to include completed Property and Casualty Transmittal Documents.

3. Filing Deadlines.

a. Every filing shall be made with the Department not less than thirty (30) days in advance of the proposed effective date. At the expiration of the thirty (30) days, the form so filed shall be deemed approved unless prior thereto it has been affirmatively approved or disapproved by the Department. The Department may, however, extend the review period by an additional thirty (30) days by giving notice of the extension before the expiration of the initial review period.

b. An insurer may, however, waive its rights to have a filing deemed approved if additional time is required by the Department. The forms to be used to acknowledge the waiver of the right to deem the filing approved will be provided by the Department.

Section 9. SELF CERTIFICATION (“STMSCP” Program)

a. Certification of Compliance

Every filing submitted, pursuant to this optional procedure, must be accompanied by the appropriate completed and signed compliance certificate.

Certification of compliance should be with respect to applicable laws, rules, bulletins and other information contained on the Department’s website and/or contained in applicable checklists.

Certification must be by a duly authorized officer as evidenced by the authorized officer’s signature.

Certification should contain a statement to the effect that the Department will rely on the certification and that, if it is materially false or misleading, corrective action will be taken as authorized.

A Self-certification form is available from the website and is also listed as an example in Section 10, subsection (e) as FORM SELFCERT.

b. The Property & Casualty Transmittal Document

Submit the Property & Casualty Transmittal Document. Identify on the transmittal document under “Filing Type: Other” by providing as description “STMSCP”. The transmittal document should also be used to provide filing information in the “Filing Description” area to identify the checklist(s) relied upon (title or form number) and edition date.

If a filer has a new provision in a filing, such as an expansion of an exclusion or any other provision which might not meet product standards in Arkansas, the transmittal document should be used to highlight those provisions and to self-certify the rest. By narrowing the scope of review, the industry filer should achieve greater speed to market overall for such a filing referred to in this program as a hybrid pilot filing. (Tip for Filers: Concepts or issues that are controversial or in need of extended analysis, for example “mold exclusions”, should be filed separately under the regular state process.)

c. The Product Requirements Locator

An STMSCP submission should be developed using the Product Requirements Locator, found either through the Department’s website or National Association of Insurance Commissioner’s (“NAIC”) website. The transmittal document “Filing Description” must indicate whether the Product Requirements Locator was used to obtain the filing requirements. If the Product Requirements Locator is not used when data is available, or if the filing does not fully comply with the filing requirements, a thorough review of the filing will be performed and a warning issued.

d. Verifying the Reliability of Certified Filings

If a filing is received with a certification by an officer, department review will be expedited and we will collect all information needed to capture and develop the statistical data for the pilot program.

e. Penalties

STMSCP submissions are afforded the privilege of an expedited review, and are given priority over other filings. Insurers that repeatedly submit incorrect or incomplete STMSCP filings may have their privilege suspended or revoked.

Section 10. FORMS

a. The forms required by this Rule may be prescribed forms which, from time to time, may be published or amended by subsequent bulletin issued by the commissioner.

b. In addition to being attached to the bulletin which publishes a form, all forms will be made available in paper and electronic format by requesting a copy from the Department by telephone, mail, email or visiting the Department’s web site at <http://www.state.ar.us/insurance>.

c. Although it is strongly urged that companies use the published forms, any form containing all the information required to be furnished in the published forms is acceptable if approved by the Department.

d. Companies are also strongly urged to submit the forms through the System for Electronic Rate and Form Filings (“SERFF”), by email, on a compact disc or other desktop computer readable medium.

e. The following forms are published independently of this Rule.

FORM UT	Property & Casualty Uniform transmittal header
FORM RF-1	Rate filing abstract.
FORM A-1	Private passenger automobile abstract
FORM H-1	Homeowners abstract
FORM RF-2	Reference filing adoption form
FORM RF-WC	Workers' compensation reference filing adoption form
FORM F-1	Form filing abstract
FORM APCS	Automobile survey (as updated)
FORM HPCS	Homeowners survey (as updated)
FORM HONOT	Homeowners rate notice
FORM PPANOT	Private passenger automobile rate notice
FORM PROMAL	Professional malpractice rate increase notice to insured
FORM PRONOT	Professional malpractice rate increase newspaper notice
FORM SELFCERT	Arkansas Certificate of Compliance

They may be found as documents independent of this Rule on the Department’s website at <http://170.94.5.1/dataservices/PandC/helpfulforms.htm>.

Section 11. SEVERABILITY

Any section or provision of this Rule held by a court to be invalid or unconstitutional will not affect the validity of any other section or provision of this Rule.

(signed by Julie Benafield Bowman)
JULIE BENAFIELD BOWMAN
INSURANCE COMMISSIONER
STATE OF ARKANSAS

(signed December 29, 2005)
DATE