

Government of the District of Columbia
Department of Insurance Securities and Banking



Property & Casualty Rate/Rule Filing Requirements

1. Cover Letter on Company Letterhead (includes)
 - A. Unique Company Filing Number (assigned by Company)
 - B. Proposed Effective Date
 - C. Purpose of Filing
 - D. Indication if Initial Filing
 - E. Indication if no DC Policyholders
 - F. Overall Premium Impact of Filing on DC Policyholders
 - G. Signature
2. Certificate of Authority to File (*third party preparation*)
3. Actuarial Memorandum (includes)
 - A. Indicated Rate Change and Proposed Rate Change
 - B. For Each Proposed New Rule - Citation of New Rule, Percentage of DC Policyholders Affected by New Rule, and Purpose of New Rule
 - C. For Each Proposed Revised Rule – Citation of Revised Rule, Citation of Currently Approved Rule, and Purpose of Revised Rule
 - D. Overall Premium Impact of Filing on DC Policyholders
4. District of Columbia and Countrywide Experience for the Last 5 Years
 - A. Written Premium
 - B. Number of Policyholders
 - C. Historical Rate Changes
5. District of Columbia Loss Ratio Analysis for the Past 3 Years (*Include Countrywide Loss Ratio Analysis, if applicable*)
 - A. Evaluation Period (*Accident Year, Policy Year, etc.*)
 - B. Earned Premium
 - C. On-Level Premium
 - D. Losses (*include ALAE*)
 - E. Loss Trend
 - F. Loss Development Factors
 - G. Ultimate Claims
 - H. Loss Ratio
 - I. Selected Loss Ratio
 - J. Permissible Loss Ratio (*includes*)
 - i. Expenses
 - ii. Profit & Contingency Provision
 - K. Number of Claims
 - L. Claim Amount
 - M. Credibility Analysis (*includes*)
 - i. DC Credibility
 - ii. Countrywide Credibility
 - iii. Complimentary Credibility
 - N. Determination of Overall Rate Change
6. Loss Cost Multiplier Calculation (*if using loss costs*)

Must Choose One of the Following:

 - A. Without Expense Constant – Must Attach Completed Form **DISB/LCMwoEC**
 - B. With Expense Constant – Must Attach Completed Form **DISB/LCMwEC**

Insurer Name: _____
NAIC Number: _____

Date: _____

District of Columbia
Calculation of Company Loss Cost Multiplier
Without Expense Constant
To Accompany Adoption of Rating Organization Prospective Loss Costs

1. Line, Subline, Coverage, Territory, Class, etc. combination to which this page applies:

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).

with the following modification factor (Cite the nature and percent modification, supporting data, and the NUMERIC DERIVATION of the modification.):

B. Loss Cost Modifier Expressed as a Factor: _____

3. Development of Expected Loss Ratio (Attach exhibit detailing expense data and/or other supporting information.):

	Selected Provisions %
A. Commission and Brokerage Expense (+)	_____
B. Other Acquisition Expense (+)	_____
C. General Expense (+)	_____
D. Taxes, Licenses, and Fees (+)	_____
E. Underwriting Profit and Contingencies (+)	_____
F. Investment Income Offset (-)	_____
G. Other (explain) (+)	_____
H. TOTAL	_____

4. Expected Loss Ratio (ELR):

A. ELR (100% - 3H) = _____

B. ELR in decimal form = _____

5. Company Calculated Loss Cost Multiplier (2B / 4B): _____

6. Company Selected Loss Cost Multiplier: _____

(If different than 5 above, then attach supporting documentation, rationale, and the numeric derivation of the Selected Loss Cost Multiplier):

7. Rate Level Change for the Coverage to Which this Form Applies:

A. Change in Loss Cost Expressed as a Factor = _____

B. Change in Multiplier Expressed as a Factor = _____

C. Overall Rate Change [(7A x 7B) - 1] x 100 = _____

Insurer Name: _____
 NAIC Number: _____

Date: _____

**District of Columbia
 Calculation of Company Loss Cost Multiplier *With Expense Constant*
 To Accompany Adoption of Rating Organization Prospective Loss Costs**

1. Line, Subline, Coverage, Territory, Class, etc. combination to which this page applies:

2. Loss Cost Modifier:

A. The insurer hereby files to adopt the prospective loss costs in the captioned reference filing:

- without modification (factor = 1.000).
- with the following modification factor (Attach supporting documentation, rationale, and NUMERIC DERIVATION of the Loss Cost Modifier).

B. Loss Cost Modifier Expressed as a Factor: _____

3. Development of Expected Loss Ratio (Attach exhibit detailing expense data and/or other supporting information):

	Overall	Variable	Fixed
A. Commission and Brokerage Expense (+)			
B. Other Acquisition Expense (+)			
C. General Expense (+)			
D. Taxes, Licenses, and Fees (+)			
E. Underwriting Profit and Contingencies (+)			
F. Investment Income Offset(-)			
G. Other (explain) (+)			
H. TOTAL			

4. Expected Loss Ratio (ELR):

A. ELR (100% - Overall 3H) in decimal form = _____

B. Variable Expected Loss Ratio (VELR) (100% - Variable 3H) in decimal form = _____

5. Average Underlying Loss Cost: _____

6. Expense Constant:

A. Calculated Expense Constant: $[(1.000 / 4A) - (1.000 / 4B)] \times \text{Average Underlying Loss Cost} =$ _____

B. Selected Expense Constant: (If different than 6A, then attach supporting documentation, rationale, and NUMERIC JUSTIFICATION) = _____

C. Selected Expense Constant as a Percentage of the Average Underlying Loss Cost Expressed as a factor = $(6B / \text{Average Underlying Loss Cost}) + 1.000 =$ _____

7. Variable Loss Cost Multiplier:

A. Calculated Variable Loss Cost Multiplier: $(2B / 4B) =$ _____

B. Selected Variable Loss Cost Multiplier (If different than 7A, then attach supporting documentation, rationale, and NUMERIC JUSTIFICATION) = _____

8. Rate Level Change for the Coverage to Which this Form Applies:

	Current	Proposed
A. Average Underlying Loss Cost		
B. Variable Loss Cost Multiplier		
C. Expense Constant		
D. Average Underlying Rate $(7A \times 7B) + 7C$		

9. Overall Percentage Rate Level Change $[(\text{Proposed } 9D / \text{Current } 9D) - 1] \times 100:$ _____