

11 NCAC 10 .1107 COMMERCIAL LINES QUESTIONNAIRE

The information required by G.S. 58-41-50 for those lines of business described in 11 NCAC 10 .1102 (5) shall be submitted by the completion of a Rate/Loss Cost Filing Questionnaire and the necessary supplementary exhibits to which the questionnaire refers.

- (1) The Rate/Loss Cost Filing Questionnaire may contain the following information:
 - (a) Name of company/Licensed rating organization;
 - (b) Filer's Federal Employer's number;
 - (c) Filer's file number;
 - (d) Type of filing;
 - (e) Line(s) of insurance, as shown on Page 14 of the Annual Statement;
 - (f) Subline/Program title;
 - (g) Type of policies involved;
 - (h) Reasons for the filing;
 - (i) Proposed effective date and rules of implementation;
 - (j) Filer's approximate market share of North Carolina written premium for the line(s) involved;
 - (k) Percentage rate change proposed;
 - (l) Estimated total dollar impact of the filing upon North Carolina policyholders;
 - (m) Whether the filing will increase the premium of any North Carolina policyholder;
 - (n) Type of premium data included;
 - (o) Exposure unit used;
 - (p) Type of loss data included;
 - (q) Permissible loss ratio, permissible loss and LAE ratio, or permissible loss, LAE, and fixed expense ratio;
 - (r) Whether any expenses are treated as fixed;
 - (s) Credibility information;
 - (t) Loss development information;
 - (u) Trend information;
 - (v) Underwriting profit information;
 - (w) Changes in methodologies;
 - (x) Certification of accuracy.
- (2) Also submit supplementary exhibits containing the following information:
 - (a) The effect of the proposed filing on active filings affecting the line or subline;
 - (b) A comparison of current and proposed rates;
 - (c) Five-year rate filing history;
 - (d) Premium and loss data (North Carolina and countrywide);
 - (e) Expense data (North Carolina and countrywide);
- (3) In filings derived from a rate filing made by a licensed rating organization and in filings that incorporate without modification loss costs that have been filed by a licensed rating organization, substitute a supplementary exhibit for the items in the questionnaire containing the information described in Subparagraphs (1)(n) through (1)(v).
 - (a) For both these types of filings, this exhibit shall contain the following information:
 - (i) The name of the licensed rating organization;
 - (ii) The relationship of the company to the licensed rating organization;
 - (iii) The applicable licensed rating organization filing;
 - (iv) The type of licensed rating organization filing;
 - (v) Eligibility requirements and restrictions applicable to the company's filing.
 - (b) In cases where the licensed rating organization files final rates, this exhibit shall also identify the basis for the differences between the company's proposed rates and those filed by the rating organization.
 - (c) In cases where the licensed rating organization files loss costs, this exhibit shall also contain the following information:
 - (i) Permissible loss ratio, permissible loss and LAE ratio, or permissible loss, LAE, and fixed expense ratio;
 - (ii) Whether any expenses are treated as fixed;

- (iii) An explanation of the derivation of the expense provisions and of their incorporation into the final rates;
 - (iv) Underwriting profit information.
- (4) For loss cost filings made by licensed rating organizations, the following modifications apply to the requirements in this Rule:
 - (a) Substitute percentage loss cost change proposed in Subparagraph (1)(k).
 - (b) Omit the information described in Subparagraphs (1)(j) through (1)(n), (1)(q), (1)(r), and (1)(v) and the items in Subparagraph (1)(u) relating to premium trend.
 - (c) In the exhibit described in Subparagraph (2)(b), compare current and proposed loss costs.
 - (d) In the exhibit described in Subparagraph (2)(c), provide a five-year loss cost filing history.
 - (e) In the exhibit described in Subparagraph (2)(d), omit those items relating to premium.
 - (f) Omit the exhibit described in Subparagraph (2)(e).
- (5) For installment premium payment plan filings, substitute a different questionnaire, containing the following information:
 - (a) Name of Company/Licensed rating organization;
 - (b) Filer's Federal Employer Number;
 - (c) Filer's file number;
 - (d) Type of filing;
 - (e) Line(s) of insurance;
 - (f) Reasons for the filing;
 - (g) Proposed effective date and rules of implementation;
 - (h) Filer's approximate market share of North Carolina written premium for the line(s) involved;
 - (i) Percentage rate change proposed;
 - (j) Estimated total dollar impact of the filing upon North Carolina policyholders;
 - (k) A comparison of the current and proposed installment fees;
 - (l) Filer's distribution of number of policies and premium by installment payment options;
 - (m) Certification of accuracy.

History Note: Authority G.S. 58-2-40; 58-41-50;
Eff. January 1, 1990;
Amended Eff. April 1, 1992; December 1, 1990;
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. January 3, 2017.