

State of Utah
Administrative Rule Analysis
Revised June 2022

NOTICE OF CHANGE IN PROPOSED RULE		
Title No. - Rule No. - Section No.		
Rule or Section Number:	R590-225	Filing ID: Office Use Only
Date of Previous Publication:	12/01/2022	

Agency Information

1. Department:	Insurance	
Agency:	Administration	
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Please address questions regarding information on this notice to the agency.		

General Information

2. Rule or section catchline:
R590-225. Submission of Property and Casualty Rate and Form Filings
3. Reason for this change (Why is the agency submitting this filing?):
There was some concern in the industry that the definition of "Compliant" would require all property and casualty licensees to comply with the title insurance rules set forth in Title R592. The department determined that a slight change to the definition would fix the issue.
4. Summary of this change (What does this filing do?):
The change makes it clear that only a title insurance licensee must comply with Title R592.

Fiscal Information

5. Provide an estimate and written explanation of the aggregate anticipated cost or savings to:
A) State budget:
There is no anticipated cost or savings to the state budget. The change merely clarifies that only certain property and casualty licensees must comply with Title R592, which is aligned with current practice.
B) Local government:
There is no anticipated cost or savings to local government. The change merely clarifies that only certain property and casualty licensees must comply with Title R592, which is aligned with current practice.
C) Small businesses ("small business" means a business employing 1-49 persons):
There is no anticipated cost or savings to small businesses. The change merely clarifies that only certain property and casualty licensees must comply with Title R592, which is aligned with current practice.
D) Non-small businesses ("non-small business" means a business employing 50 or more persons):
There is no anticipated cost or savings to non-small businesses. The change merely clarifies that only certain property and casualty licensees must comply with Title R592, which is aligned with current practice.
E) Persons other than small businesses, non-small businesses, or state or local government entities ("person" means

any individual, partnership, corporation, association, governmental entity, or public or private organization of any character other than an **agency**):

There is no anticipated cost or savings to any other persons. The change merely clarifies that only certain property and casualty licensees must comply with Title R592, which is aligned with current practice.

F) Compliance costs for affected persons:

There are no compliance costs for any affected persons. The change merely clarifies that only certain property and casualty licensees must comply with Title R592, which is aligned with current practice.

G) Regulatory Impact Summary Table (This table only includes fiscal impacts that could be measured. If there are inestimable fiscal impacts, they will not be included in this table. Inestimable impacts will be included in narratives above.)

Regulatory Impact Table			
Fiscal Cost	FY2023	FY2024	FY2025
State Government	\$0	\$0	\$0
Local Governments	\$0	\$0	\$0
Small Businesses	\$0	\$0	\$0
Non-Small Businesses	\$0	\$0	\$0
Other Persons	\$0	\$0	\$0
Total Fiscal Cost	\$0	\$0	\$0
Fiscal Benefits	FY2023	FY2024	FY2025
State Government	\$0	\$0	\$0
Local Governments	\$0	\$0	\$0
Small Businesses	\$0	\$0	\$0
Non-Small Businesses	\$0	\$0	\$0
Other Persons	\$0	\$0	\$0
Total Fiscal Benefits	\$0	\$0	\$0
Net Fiscal Benefits	\$0	\$0	\$0

H) Department head comments on fiscal impact and approval of regulatory impact analysis:

The Commissioner of Insurance, Jonathan T. Pike, has reviewed and approved this regulatory impact analysis.

Citation Information

6. Provide citations to the statutory authority for the rule. If there is also a federal requirement for the rule, provide a citation to that requirement:

Section 31A-2-201	Section 31A-2-201.1	Section 31A-2-202
Section 31A-19a-203		

Incorporations by Reference Information

7. Incorporations by Reference (if this rule incorporates more than two items by reference, please include additional tables):

A) This rule adds, updates, or removes the following title of materials incorporated by references (a copy of materials incorporated by reference must be submitted to the Office of Administrative Rules; *if none, leave blank*):

Official Title of Materials Incorporated (from title page)	
Publisher	
Issue Date	
Issue or Version	

B) This rule adds, updates, or removes the following title of materials incorporated by references (a copy of materials incorporated by reference must be submitted to the Office of Administrative Rules; *if none, leave blank*):

Official Title of Materials Incorporated (from title page)	
Publisher	

Issue Date	
Issue or Version	

Public Notice Information

8. The public may submit written or oral comments to the agency identified in box 1. (The public may also request a hearing by submitting a written request to the agency. See Section 63G-3-302 and Rule R15-1 for more information.)		
A) Comments will be accepted until:		03/03/2023
B) A public hearing (optional) will be held:		
On (mm/dd/yyyy):	At (hh:mm AM/PM):	At (place):

9. This rule change MAY become effective on:	03/10/2023
NOTE: The date above is the date the agency anticipates making the rule or its changes effective. It is NOT the effective date.	

Agency Authorization Information

To the agency: Information requested on this form is required by Section 63G-3-303. Incomplete forms will be returned to the agency for completion, possibly delaying publication in the <i>Utah State Bulletin</i> and delaying the first possible effective date.		
Agency head or designee and title:	Steve Gooch, Public Information Officer	Date: 01/06/2023

R590. Insurance, Administration.

R590-225. Submission of Property and Casualty Rate and Form Filings.

R590-225-1. Authority.

This rule is promulgated by the commissioner pursuant to Sections 31A-2-201, 31A-2-201.1, 31A-2-202, and 31A-19a-203.

R590-225-2. Purpose and Scope.

- (1) The purpose of this rule is to set forth procedures for submitting:
 - (a) property and casualty and title form filings under Section 31A-21-201;
 - (b) property and casualty and title rates, and supplementary information under Section 31A-19a-203;
 - (c) service contract form filings under Subsection 31A-6a-103(2);
 - (d) bail bond form filings under Section 31A-35-607 and Rule R590-196; and
 - (e) guaranteed asset protection waiver filings under Sections 31A-6b-202 and 31A-6b-203.
- (2) This rule applies to each line of property and casualty insurance, including:
 - (a) title insurance;
 - (b) bail bonds;
 - (c) service contracts; and
 - (d) guaranteed asset protection waivers.

R590-225-3. Definitions.

Terms used in this rule are defined in Sections 31A-1-301 and 31A-19a-102. Additional terms are defined as follows:

- (1) "Certification" means a statement that the filing being submitted is compliant.
- (2)(a) "Compliant" means a filing complies with:
 - ~~[(a)]~~(i) Title 31A, Utah Insurance Code; and
 - ~~[(b)]~~(ii) Title R590, Administration~~[-and]~~.~~[(c)]~~(b) In addition to Subsection (2)(a), a title insurer, agency title insurance producer, or individual title insurance producer shall comply with Title R592, Title and Escrow Commission.
- (3) "Electronic filing" means a:
 - (a) filing submitted using the System for Electronic Rate and Form Filings, SERFF; or
 - (b) filing submitted using an email system.
- (4) "File and use" means a filing is used, sold, or offered for sale after it is filed with the department.
- (5) "File before use" means a filing is used, sold, or offered for sale after it is filed with the department and a stated period has elapsed from the date filed.
- (6) "Filer" means a person who submits a filing.
- (7) "Filing objection letter" means a letter issued by the commissioner when a review determines the filing is not compliant and may require:
 - (a) correction of non-compliant items;
 - (b) clarification; or
 - (c) additional information pertaining to the filing.

- (8) "Letter of authorization" means a letter signed by an officer of the licensee giving authority to the filer to submit a filing on behalf of the licensee.
- (9) "Licensee" means an insurer, a bail bond agency, a service contract provider, or a guaranteed asset protection provider.
- (10) "Order to prohibit use" means an order issued by the commissioner prohibiting the use of a filing.
- (11) "RSO" means rate service organization.
- (12) "Rejected" means a filing is:
- (a) not compliant;
 - (b) returned to the filer stating the reason for rejection; and
 - (c) not considered filed with the department.
- (13) "Type of insurance" or "TOI" means a specific line of property and casualty insurance including:
- (a) general liability;
 - (b) commercial property;
 - (c) workers compensation;
 - (d) automobile;
 - (e) homeowners;
 - (f) title;
 - (g) bail bonds;
 - (h) service contracts; and
 - (i) guaranteed asset protection waivers.
- (14) "Use and file" means a filing is used, sold, or offered for sale if it is filed within a stated period after its initial use.
- (15) "Utah filed date" means the date provided to a filer by the department indicating a filing is accepted.

R590-225-4. Forms Used in a Filing.

- (1) The documents identified in this section shall be used for each filing.
 - (a) An actual copy or a created version may be used.
 - (b) If created, the content, size, font, and format shall be similar to the actual copy.
- (2) The following filing forms shall be used and are available on the department's website, [https:// insurance.utah.gov](https://insurance.utah.gov):
 - (a) NAIC Uniform Property and Casualty Transmittal Document, dated January 1, 2020;
 - (b) NAIC Uniform Property and Casualty Coding Matrix, dated January 1, 2021;
 - (c) Utah Insurer Loss Cost Multiplier and Expense Constant Supplement Filing Forms, dated April 2017; and
 - (d) Utah Workers Compensation Insurer Loss Cost Multiplier Filing Form, dated April 2017.
- (3) If the dated version of a form in Subsection (2) is unavailable, a more recent version is acceptable.

R590-225-5. General Filing Information.

- (1)(a) A filing shall be accurate, consistent, complete, and contain all required documents for the filing to be processed in a timely and efficient manner.
- (b) The commissioner may request additional information as necessary.
 - (2) A licensee and a filer are responsible for assuring that a filing is compliant.
 - (3) A rate filing, a form filing, and supplementary information applying to a specific program or product may be submitted as one filing.
 - (4) A filing that is not compliant will be rejected and returned to the filer.
 - (5) A rejected filing:
 - (a) is not considered filed;
 - (b) shall be submitted as a new filing; and
 - (c) may not be reopened for purposes of resubmission.
 - (6) A prior filing will not be researched to determine the purpose of the current filing.
 - (7) The department does not review every filing.
 - (a) A filing may be reviewed:
 - (i) when submitted;
 - (ii) when a complaint is received;
 - (iii) during a regulatory examination or investigation; or
 - (iv) when the department considers a review necessary.
 - (b) If a filing is reviewed and is not compliant, a filing objection letter or an order to prohibit use shall be issued to the filer.
 - (c) The commissioner may require the licensee to disclose deficiencies in forms or rating practices to affected consumers.
 - (8) Correcting a Filing.
 - (a) A correction to a filing in an open status may be made at any time.
 - (b) A correction to a filing in a closed status:
 - (i) may not be made;
 - (ii) requires a new filing; and
 - (iii) shall reference the original filing in the filing description of the new filing.
 - (9) A filer shall notify the department when withdrawing a previously filed form, rate, or supplementary information.
 - (10) A filing that is withdrawn may not be used.

R590-225-6. Filing Submission Requirements.

- (1) All filings shall be submitted electronically.
 - (a) All filers shall use SERFF to submit a filing.
 - (b) A bail bond agency, a service contract provider, and a guaranteed asset protection waiver provider may use email instead of SERFF to submit a filing.
- (2) A rate filing for private passenger auto, homeowners, or workers compensation TOI shall include a certification signed by a qualified actuary stating that the rates are not inadequate, excessive, or unfairly discriminatory under Subsection 31A-19a-201(1).

- (3)(a) A filing shall be submitted by market type and TOI.
- (b) The annual statement line number may not be used.
- (4)(a) A filing may not include more than one TOI unless the filing is a commercial or personal inter-line form filing.
- (b) The inter-line use of a form must be explained in the filing description.
- (5) A filer may submit a filing for more than one insurer if each insurer is listed in the filing.
- (6) A cover letter may not be submitted with a filing.
- (7) SERFF Filing.

(a) Filing Description. The filing description contained on the general information tab shall contain the following information in the order shown below.

- (i) A filer shall certify that a filing is complete and compliant.

(A) The following statement shall be included in the filing description: "BY SUBMITTING THIS FILING I CERTIFY THAT THE ATTACHED FILING HAS BEEN COMPLETED IN ACCORDANCE WITH UTAH ADMINISTRATIVE RULE R590-225 AND IS IN COMPLIANCE WITH APPLICABLE UTAH LAWS AND RULES".

- (B) A filing shall be rejected if the certification is false, missing, or incomplete.
- (C) A certification that is false may subject the licensee to administrative action.

- (ii) The filing description shall include:

- (A) the intent of the filing; and
- (B) the purpose of each document submitted with the filing.

- (iii) The filing shall indicate if the filing:

(A) is new;

(B) is replacing or modifying a previous filing, describing the changes made, the reasons for the previous rejection, and the previous filing's Utah filed date;

- (C) includes forms for informational purposes, providing the Utah filed date; or

- (D) does not include the policy; if so, provide the Utah filed date of the base policy and describe the effect on the base policy.

(iv) The filing shall identify if a provision is unusual, controversial, or has been previously objected to or prohibited, and explain why the provision is included in the filing.

- (b) Letter of Authorization.

- (i) When the filer is not the licensee, a letter of authorization from the licensee shall be attached to the supporting documentation tab.

- (ii) The licensee is responsible for a filing being compliant.

- (c) Items Submitted for Filing.

- (i) All forms shall be attached to the form schedule tab.

- (ii) All rates and supplementary rating information shall be attached to the rate/rule schedule tab.

- (iii) The actuarial certification under Subsection (2) shall be attached to the supporting documentation tab.

(d) The filer shall refer to each applicable section of this rule for additional procedures on how to submit a form, rate, or supplementary information.

- (8) Email Filing.

- (a) The title of the email shall include the licensee's name only.

- (b) Transmittal. The NAIC Uniform Property and Casualty Transmittal Document shall be properly completed.

- (i) Complete the transmittal by referencing the following:

- (A) NAIC Coding Matrix; and
- (B) Utah Property and Casualty Content Standards.

- (ii) Do not submit the documents described in Subsections (8)(b)(i)(A) and (8)(b)(i)(B) with the filing.

(c) Filing Description. In section 21 of the NAIC Uniform Property and Casualty Transmittal Document, complete the filing description with the following information, in the order shown below.

- (i) The filer shall certify that a filing is complete and compliant.

(A) The following statement shall be included in the filing description: "BY SUBMITTING THIS FILING I CERTIFY THAT THE ATTACHED FILING HAS BEEN COMPLETED IN ACCORDANCE WITH UTAH ADMINISTRATIVE RULE R590-225 AND IS IN COMPLIANCE WITH APPLICABLE UTAH LAWS AND RULES".

- (B) A filing shall be rejected if the certification is false, missing, or incomplete.

- (C) A certification that is false may subject the licensee to administrative action.

- (ii) The filing description shall include:

- (A) the intent of the filing; and
- (B) the purpose of each document submitted with the filing.

- (iii) The filing shall indicate if the filing:

(A) is new;

(B) is replacing or modifying a previous filing, describing the changes made, the reasons for the previous rejection, and the previous filing's Utah filed date; or

- (C) includes forms for informational purposes, providing the Utah filed date.

(iv) The filing shall identify provisions that are unusual, controversial, or have been previously objected to or prohibited, and explain why the provision is included in the filing.

- (d) Letter of Authorization.

- (i) When the filer is not the licensee, a letter of authorization from the licensee shall be attached to the supplementary documentation tab.

- (ii) The licensee is responsible for the filing being compliant.

(e) The filer shall refer to each applicable section of this rule for additional procedures on how to submit a form, rate, or supplementary information.

- (f) An item submitted for filing shall be in PDF format.

R590-225-7. Procedures for Form Filings.

- (1) Forms in General.

- (a) Forms are file and use filings.
- (b) Service contracts, bail bonds, and guaranteed asset protection waivers are file before use filings.
- (c) Each form shall be identified by a unique form number that may not be variable.
- (d) A form shall be in final printed form; a draft may not be submitted.

(2) Filings by RSO.

- (a) An RSO is authorized to make a form filing on behalf of an insurer.
- (b) If the effective date is delayed, the filing is not adopted, or the filing is altered, a filing is required.
- (c) A filing shall be received by the department before the RSO effective date.
- (d) Copies of the RSO's forms are not required to be attached to a filing when the forms are referenced in a filing.
- (e) If an RSO is not authorized to file forms on behalf of an insurer, the insurer shall include a letter stating that the insurer adopts RSO

forms for the insurer's use.

- (f) Copies of the RSO forms are not required to be filed.

(g) A filing shall include a complete list of the RSO forms the insurer adopts by form number, title, name, and filing identification number of the RSO.

- (4) A "Me Too" filing, referencing a filing submitted by another licensee is not permitted.

(5) If a previously filed Utah amendatory endorsement is used in connection with the form being filed, explain this in the filing description section of the transmittal and include a copy of the amendatory endorsement with the filing.

- (6) If a filing is for more than one insurer, only one copy of each form is required.

- (7) A separate filing is required for each company, insurer, or unique insurer logo used on a form.

- (8) A form is not required to be re-filed if the implementation date of the original filing changes.

R590-225-8. Procedures for Rate and Supplementary Information Filings.

- (1) Rates and supplementary information are use and file filings.

- (a) Title and workers compensation rates and supplementary information are file before use filings.

- (b) A service contract provider, a bail bond agency, or a guaranteed asset protection waiver provider is exempt from this section.

(c) A rate filing for private passenger auto, homeowners, or workers compensation TOI shall include a certification signed by a qualified actuary stating that the rates are not inadequate, excessive, or unfairly discriminatory under Subsection 31A-19a-201(1).

(2) Filings by an RSO authorized by an insurer to make a prospective loss cost, supplementary information filing, or both, are not required if the insurer implements the filing submitted by the RSO.

- (a) If the effective date is delayed, the filing is not adopted, or the filing is altered, a filing is required.

- (b) A filing shall be received by the department within 30 days of the effective date established by the RSO.

- (c) Copies of an RSO's manual pages are not required to be filed when referenced in an RSO filing.

(3)(a) If an RSO is not authorized to file the prospective loss cost, supplementary rating information, or both, on an insurer's behalf, the insurer:

(a) shall include a letter stating that the insurer adopts the RSO prospective loss cost, supplementary rating information filing, or both, for the insurer's use.

- (b) A filer shall file copies of any RSO manual pages as if they are the insurer's own and provide the insurer's actuarial justification.

- (4) A "Me Too" filing, referencing a filing submitted by another licensee, is not permitted.

(5) If a filing is for more than one insurer and the supporting data and manual pages are identical for each insurer included in the filing, only one copy of the supporting data and manual pages shall be submitted.

- (a) Rate and supplementary information filings shall be supported and justified by each insurer.

- (b) A justification shall include:

(i) a submission of each factor used in determining the initial supplementary information and rates or changes in existing supplementary information and rates; and

- (ii) a complete explanation of each factor and how it is used.

- (c) Underwriting criteria are not required unless they directly affect the rating of the policy.

- (d) Underwriting criteria used to differentiate between rating tiers is required.

- (6)(a) When submitting a filing for a rating plan, a rating modification plan, or a credit and debit plan, an insurer shall include:

(i) a statement identifying the arithmetic process used and whether factors will be added or multiplied when applying them to base rates; and

- (ii) a justification for the method used.

- (b) A filing shall be rejected as incomplete if it does not provide the information in Subsection (6).

- (7) Utah and countrywide statistical data for the latest three years available shall be submitted with each filing.

- (a) The data shall include:

- (i) earned premiums;

- (ii) incurred losses;

- (iii) loss ratios;

- (iv) establishment of expense factors; and

- (v) expected loss ratios.

(b) Calculations used in establishing rates from loss experience shall be shown, including the establishment of trend factors and loss development factors.

(c) If the information in Subsection (7) is not available, a detailed explanation of the reason the information is not available shall be provided with the filing.

- (8) Prospective loss cost and loss cost multiplier.

(a) An individual insurer adjustment to the RSO prospective loss cost must be made as part of the calculation of the loss cost multiplier and must be included in the Utah Insurer Loss Cost Multiplier Filing Forms.

- (b) This form allows for the inclusion of an individual insurer modification of the RSO prospective loss cost.

- (9) Procedures for Reference Filings to Advisory Prospective Loss Cost.

- (a) An RSO develops and files a reference filing containing advisory prospective loss cost and supporting actuarial and statistical data.

- (b) Each insurer must individually determine the rates it will file and the effective date of any rate changes.
- (c) If an insurer that is a member, subscriber, or service purchaser of an RSO that uses the prospective loss cost in an RSO reference filing in support of its own filing, the insurer shall make a filing using the Utah Insurer Loss Cost Multiplier Filing Forms.
- (d) The insurer's filed rates are a combination of the RSO's prospective loss cost and the loss cost multiplier contained in the Utah Insurer Loss Cost Multiplier Filing Forms.
- (e) An insurer may file a modification of the prospective loss cost in the RSO reference filing based on its own anticipated experience.
- (f) An actuarial justification is required for a modification, upward or downward, of the prospective loss cost in the reference filing.
- (g) An insurer may request to have its loss cost adjustments remain on file and reference all subsequent RSO prospective loss cost reference filings.
- (i) Upon receipt of a subsequent RSO reference filing, the insurer's filed rates are a combination of the RSO's prospective loss cost and the loss cost adjustments contained in the Utah Insurer Loss Cost Multiplier Filing Forms on file and are effective on the effective date of the prospective loss cost.
- (ii) The insurer need not file any further filings.
- (h) If a filer wants to have its filed loss cost adjustments remain on file, but intends to delay, modify, or not adopt a particular RSO's reference filing, the filer shall make an appropriate filing.
- (i) An insurer's filed loss cost adjustments shall remain in effect until the filer withdraws the filing or files a revised Utah Insurer Loss Cost Multiplier Filing Form.
- (j) A filer may file other relevant information.
- (k) If an insurer proposes to use minimum premiums, it must file those minimum premiums.
- (10) Supplementary Rate Information.
 - (a) An RSO filing containing a revision of rules, relativities, and supplementary rate information shall include:
 - (i) policy-writing rules;
 - (ii) rating plans;
 - (iii) classification codes and descriptions; and
 - (iv) territory codes, descriptions, and rules, including increased limits factors, classification relativities, or similar factors.
 - (b) A supplementary rate information filing is made by an RSO on behalf of an insurer that authorizes the RSO to file rules, relativities, and supplementary rating information on its behalf.
 - (c) An RSO may print and distribute a manual of rules, relativities, and supplementary rating information.
 - (d) If an insurer authorizes an RSO to file on its behalf and the insurer decides to use the revisions and the RSO's effective date, the insurer need not file any further filings.
 - (e) If an insurer authorizes an RSO to file on its behalf and the insurer decides to use the revisions as filed, and with a different effective date, the insurer shall notify the commissioner of the insurer's effective date within 30 days of the RSO's effective date.
 - (f) If an insurer authorizes an RSO to file on its behalf, and the insurer decides not to use the revision, the insurer shall notify the commissioner within 30 days of the RSO's effective date.
 - (g) If an insurer authorizes an RSO to file on its behalf, and the insurer decides to use the revision with modification, the insurer must file the modification specifying the basis for the modification and the insurer's effective date within 30 days of the RSO's effective date.
- (11) Consent-to-Rate Filing. The filing description shall:
 - (a) indicate that the filing is a consent-to-rate filing;
 - (b) show the filed rate;
 - (c) show the proposed rate; and
 - (d) set forth the reasons for the difference.
- (12) Individual Risk Filing.
 - (a) Rule R590-127 sets forth when an individual risk filing is permitted.
 - (b) An individual risk filing shall be filed with the commissioner.
 - (i) The filing shall consist of a copy of the declarations page, a copy of any pertinent coverage form or rating schedule, and premium development.
 - (ii) The filing description shall indicate that it is an individual risk filing, and contain the underwriter's explanation for the filing.
- (13) Tiered rating plans are permitted by a single insurer or insurer group with common ownership.
 - (a) A filing shall show that the tiers are based on mutually exclusive underwriting rules, based on clear, objective criteria that lead to a logical distinguishing of potential risk.
 - (b) A filing shall provide supporting information that shows a clear distinction between the expected losses and expenses for each tier.
 - (c) If an insurer group uses a tiered rating structure, the group of insurers may not all file the same loss cost multiplier and then file standard percentage deviations.
 - (i) A difference shall be demonstrated in the loss cost multiplier formula, either as a modification of the RSO prospective loss cost or in the insurer expense factor.
 - (ii) An individual insurer adjustment or modification shall be supported by actuarial data that establishes a reasonable standard for measuring probable insurer variations in historical or prospective experience, underwriting standards, expense and profit factors.

R590-225-9. Additional Procedures for Workers Compensation Rate Filings.

- (1) A rate filing for workers compensation shall include a certification signed by a qualified actuary stating that the rates are not inadequate, excessive, or unfairly discriminatory under Subsection 31A-19a-201(1).
- (2) A rate filing and supplementary information shall be filed 30 days before they are used.
- (3)(a) Each insurer shall individually determine the rates it will file.
 - (b) Filed rates.
 - (i) An insurer's workers compensation filed rates are the combination of the most current prospective loss cost filed by the designated rate service organization and the insurer's loss cost adjustment, known as the loss cost multiplier (LCM), as calculated, and filed using the Utah Worker's Compensation Insurer Loss Cost Multiplier Filing Form.
 - (ii) An insurer shall implement the designated RSO's current prospective loss cost on the effective date assigned by the designated RSO, and may not defer nor delay adoption of the lost cost multiplier.

(iii) An insurer's filed loss cost multiplier shall remain in effect until the insurer withdraws it or files a new loss cost multiplier.

(iv) Upon receiving a subsequent designated RSO reference filing, an insurer's filed rates are the combination of the designated RSO's prospective loss cost and the loss cost multiplier contained in the insurer's most current Utah Loss Cost Multiplier Filing Form on file with the department.

(4)(a) An insurer may file a modification to the designated RSO prospective loss cost in the subject reference filing based on its own anticipated experience.

(b) Supporting documentation is required for any modification, upward or downward, of the designated RSO prospective loss cost.

(5)(a) An insurer may vary expense loads by individual classification or grouping.

(b) An insurer may use variable or fixed expense loads or a combination of these to establish its expense loadings.

(c) An insurer shall file data in accordance with the uniform statistical plan filed by the designated RSO.

(6) A filing for a workers compensation rating plan, a rating modification plan, or a credit and debit plan shall include:

(a) a statement identifying the arithmetic process used and whether factors will be added or multiplied when applying them to base rates;

and

(b) a justification for the method used.

(7)(a) If an insurer's rates are determined solely by applying its loss cost multiplier, as presented in the Utah Worker's Compensation Insurer Loss Cost Multiplier Filing Forms to the prospective loss cost contained in a designated RSO reference filing and contained in the designated RSO's rating manual, the insurer need not develop or file its rate pages.

(b) If an insurer chooses to distribute rate pages for its own use, based solely upon the application of its filed loss cost multiplier, the insurer need not file those pages.

R590-225-10. Additional Procedures for Title Rate Filings.

(1) A title rate and a supplementary information filing are file before use filings and shall be filed 30 days before use.

(2)(a) A change or amendment to a schedule of rates shall state the effective date of the change or amendment, which may not be less than 30 days after the date of filing.

(b) A change or amendment remains in force for a period of at least 90 days from its effective date.

(3)(a) Supplementary information and rate filings shall be supported and justified by each insurer.

(b) A justification shall include:

(i) submission of all factors used in determining initial supplementary information and rates or changes in existing supplementary information and rates; and

(ii) a complete explanation of each factor and how it is used.

(4) Rates that vary by risk classification, such as extended coverage or standard coverage, and discount factors, such as refinance, subdivision, or construction for purpose of resale discounts, shall be supported by differences in expected losses or expenses.

(5) A rate may not be filed or used that requires a title insurer, an agency title insurance producer, or an individual title insurance producer to operate at less than the cost of doing business or inadequately underwrite a title insurance policy.

R590-225-11. Classification of Documents.

(1) A record submitted under this rule is subject to Title 63G, Chapter 2, Government Records and Access Management Act (GRAMA).

(2) Notwithstanding Subsection (1), a record filed under Section 31A-19a-204 is classified as public.

(3) Notwithstanding Subsections (1) and (2), a record may be classified as protected if requested under Section 63G-2-309.

(4) A filing may not be reopened to reclassify a previously filed document.

(5) A pattern of requesting that non-qualifying documents be protected, including putting both protected and public information in one document, may violate this rule.

R590-225-12. Correspondence and Status Checks.

(1) When corresponding with the department, provide sufficient information to identify the original filing including:

(a) the TOI;

(b) the date of filing; and

(c) the submission method, SERFF or email; and

(d) the tracking number.

(2) Status Checks.

(a) A filer may request the status of its filing 60 days after the date of submission.

(b) A response will not be provided to a status request before 60 days.

R590-225-13. Filing Objection Letter and Order to Prohibit Use.

(1) When responding to a filing objection letter, a filer shall:

(a) provide an explanation identifying each change made;

(b) include an underline and strikeout version for each revised document;

(c) include a final version of the revised document incorporating all changes; and

(d) for a filing submitted in SERFF, attach the documents described in Subsections (1)(b) and (1)(c) to the appropriate form schedule or rate/rule schedule tabs.

(2) Order to Prohibit Use.

(a) An order to prohibit use is final 15 days after the date of the order.

(b) Use of the filing shall be discontinued no later than the date specified in the order.

(c) To contest an order to prohibit use, a written request for a hearing shall be filed no later than 15 days after the date of the order.

(d) A new filing is required if the licensee chooses to make the requested changes addressed in the filing objection letter and must reference the previously prohibited filing.

R590-225-14. Severability.

If any provision of this rule, Rule R590-225, or its application to any person or situation is held invalid, such invalidity does not affect any other provision or application of this rule that can be given effect without the invalid provision or application. The remainder of this rule shall be given effect without the invalid provision or application.

KEY: property casualty insurance filing

Date of Last Change: 2023

Notice of Continuation: February 13, 2019

Authorizing, and Implemented or Interpreted Law: 31A-2-201; 31A-2-201.1; 31A-2-202; 31A-19a-203