

2016 CAS RPM Seminar

# What Makes a Good Florida Rate Filing?

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March 16, 2016

# Antitrust Notice

- **The Casualty Actuarial Society is committed to adhering strictly to the letter and spirit of the antitrust laws. Seminars conducted under the auspices of the CAS are designed solely to provide a forum for the expression of various points of view on topics described in the programs or agendas for such meetings.**
- **Under no circumstances shall CAS seminars be used as a means for competing companies or firms to reach any understanding – expressed or implied – that restricts competition or in any way impairs the ability of members to exercise independent business judgment regarding matters affecting competition.**
- **It is the responsibility of all seminar participants to be aware of antitrust regulations, to prevent any written or verbal discussions that appear to violate these laws, and to adhere in every respect to the CAS antitrust compliance policy.**



# What Makes a Good Florida Rate Filing?

## 1) Know and Follow the Instructions

- a) Key Florida Statutes and Rules
- b) i-File
- c) General Rate Filing Requirements

## 2) Consider your Filing Presentation

- a) Understand the Review Process
- b) Help the Reviewer to Navigate

## 3) There is Always Something to Learn

- a) From Previous Filings and from Others
- b) From Current Topics
- c) Know when/where to ask for Help



# Key Florida Statutes

## 627.062 Rate Standards

- File and Use (90 days before) OR Use and File (up to 30 days after)
- Office shall review to determine if rate is excessive, inadequate or unfairly discriminatory. In making that determination, the office shall, in accordance with generally accepted and reasonable actuarial techniques, consider
  - 5) Reasonableness of judgment
  - 8) Cost of reinsurance ( $\leq$  estimated 250 yr PML)
  - 11) Projected Hurricane Losses estimated using a model accepted by the Florida Commission on Hurricane Loss Projection Methodology
- Residential property insurer may make a filing solely to adjust its rates for reinsurance (Limited Reinsurance Filing; 45 day review)
- Property Rate Filings require CEO or CFO and Chief Actuary to certify under oath that they have reviewed the rate filing and it is true, accurate and complete (OIR-B1-1790)



# Key Florida Statutes (con't)

## 627.0651 Making and use of rates for motor vehicles

- Similar to s. 627.062, F.S.
- File and Use (60 days before) OR Use and File (up to 30 days after)
- Underwriting rules shall be filed for PPA and HO insurance

## 626.9541 Unfair methods of competition and unfair or deceptive acts or practices defined

- PPA restrictions on surcharges and non-renewals

## 627.072 Making and use of rates (as to workers' compensation and employer's liability insurance)

## 627.091 Rate filings; workers' compensation and employer's liability insurances

## 627.191 Adherence to filings; workers' compensation and employer's liability insurances

## 627.211 Deviations; workers' compensation and employer's liability insurances



# Key Florida Statutes (con't)

## 627.0629 Residential property insurance; rate filings

- Windstorm Loss Mitigation Credits
- Building Code Effectiveness Grading Scale (BCEGS) required
- Mobile Homes ANSI/ASCE 7-88 credit
- Separate hurricane and non-hurricane premiums
- Cost of reinsurance to replace \$12B TICL (Temporary Increase in Coverage Limits from the FHCF) treated differently
- Rate filing based on computer model may not exceed 15% unless public hearing

## 627.701 Liability of insureds; coinsurance; deductibles

- Required hurricane deductibles
- \$500 AOP deductible required



# Key Florida Statutes (con't)

627.7011 Homeowners' policies; offer of replacement cost coverage and law and ordinance coverage

627.706 Sinkhole insurance' catastrophic ground cover collapse; definitions

627.707 Investigation of sinkhole claims; insurer payments; nonrenewals

627.712 Residential windstorm coverage required; availability of exclusions for windstorm or contents



# Key Florida Statutes (con't)

624.4213 Trade secret documents

626.9741 Use of credit reports and credit scores by insurers

627.0645 Annual filings

627.4133 Notice of cancellation, nonrenewal, or renewal  
premium

627.902 Premium financing by an insurer or subsidiary





# Key Rules (FL Administrative Code)

690-170.003 Calculation of Investment Income

690-170.006 Rate Manual Filings and Revisions

690-170.007 Annual Rate Filings

690-170.013 Filing Procedures for Property and Casualty Insurance Rates, Rules, Underwriting Guidelines and Forms

690-170.0135 Actuarial Memorandum

690-170.014 Homeowners Insurance Ratemaking and Rate Filing Procedures

690-170.0141 Dwelling Insurance Ratemaking and Rate filing Procedures

690-170.0142 Ratemaking and Rate Filing Procedures for Commercial Residential Insurance and All Other Lines

690-170.0143 Ratemaking and Rate Filing Procedures for Liability Insurance for Medical Malpractice





- i-File is used to assemble and submit filings to the Office via the Industry Portal found on the Office's website [www.floir.com](http://www.floir.com)
- SERFF filings are not accepted

Company Filing

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## Welcome

Industry Portal location on FLOIR.COM

The Office serves Floridians through its responsibilities for regulation, compliance and enforcement of statutes related to the business of insurance. The Office is also entrusted with the duty of carefully monitoring statewide industry markets.



Rate Comparison Tools



Company Search



Locate Form & Rate Filings



Commissioner McCarty speaks to attendees of the NAIC 2015 International Insurance Forum.

# i-File and the i-File User Guide



## Common Tasks

- **Set up an account**
- **Start a new Form or Rate filing**
- **Forms and Rates Workbench**

## User Manuals

- **L&H IFile Introductory User Guide**
- **P&C IFile Introductory User Guide**
- **P&C RCS Training and User Manual**

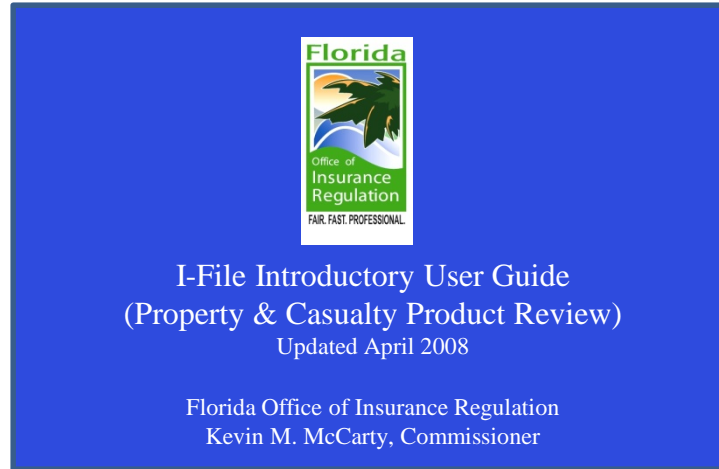
## Welcome to the Industry Portal

Welcome to the Florida Office of Insurance Regulation Industry Portal. The Industry Portal is a convenient, single point of entry for insurance companies and related entities to access the Filing Assembly and Submission System, online Rate Collection Systems, Quarterly Submission Reports, and other related content.

- **Form & Rate Filing Assembly and Submission**
- **Regulatory Electronic Filing System (REFS)**
- **Data Collection and Analysis Modules (DCAM)**
- **QUASR (Filings Before 2015 Only)**
- **Professional Liability Claims Reporting**
- **Update Disaster Contact Information & PIP Contact Information**
- **Workers' Compensation Data Collection**
- **iApply - Online Company Admissions**



# What's in the i-File User Guide?



- Creating an i-Portal Account
- i-File options (Help, Contact Us, Account, Filing Search, Logout)
- Starting a New Filing
- Filing Workbench
- Filing Component Types
- Filing Component Examples
- Creating a Response Filing (Add to a submitted filing)
- Review Submitted Filings
- Logging in with a Work Unit Number
- Common i-File Questions



# i-File



<a href="#">Home</a>	<a href="#">Help</a>	<a href="#">Contact Us</a>	<a href="#">Account</a>	<a href="#">Filing Search</a>	<a href="#">Logout</a>
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## Filing Assembly Submission System

### Common Tasks

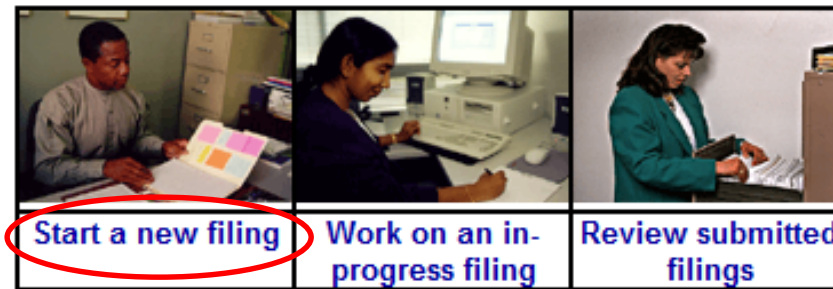
- [Start a new filing](#)
- [Copy a filing](#)
- [Submit a filing](#)
- [Review submitted filings](#)
- [Add to a submitted filing](#)
- [Remove trade secret from a filing](#)

### Other Places

- [Filing workbench](#)

Welcome to the Filing Assembly Submission System (FASS). Here, you can build and maintain filings required by the Office. To start a new filing, click [Start a new filing](#). To work on an existing filing, click [Work on an in-progress filing](#). To review a filing already submitted to the Office, click [Review submitted filings](#).

### Choose a Task



# Steps to Create a Filing in i-File

- Select Filing Type (Company)
- Select Area of Insurance (P&C)
- Select the Number of Companies
- Select the Company(ies)
- Select the Line of Business
- Select the Filing Purpose (Rates Only, Rate & Rule, Rules Only, Annual Rate Certification, Annual Rate Exemption, Limited Reinsurance/Financing Costs, Recoupments Only)



# Select the Line of Business Carefully

## Select the Line of Business

Please select one line of business for this filing. You are currently authorized to submit a filing for all the lines of business that are **bold**. You may choose to create a filing for one of the unauthorized lines, but you will not be able to submit your filing until you have the Office's authorization.

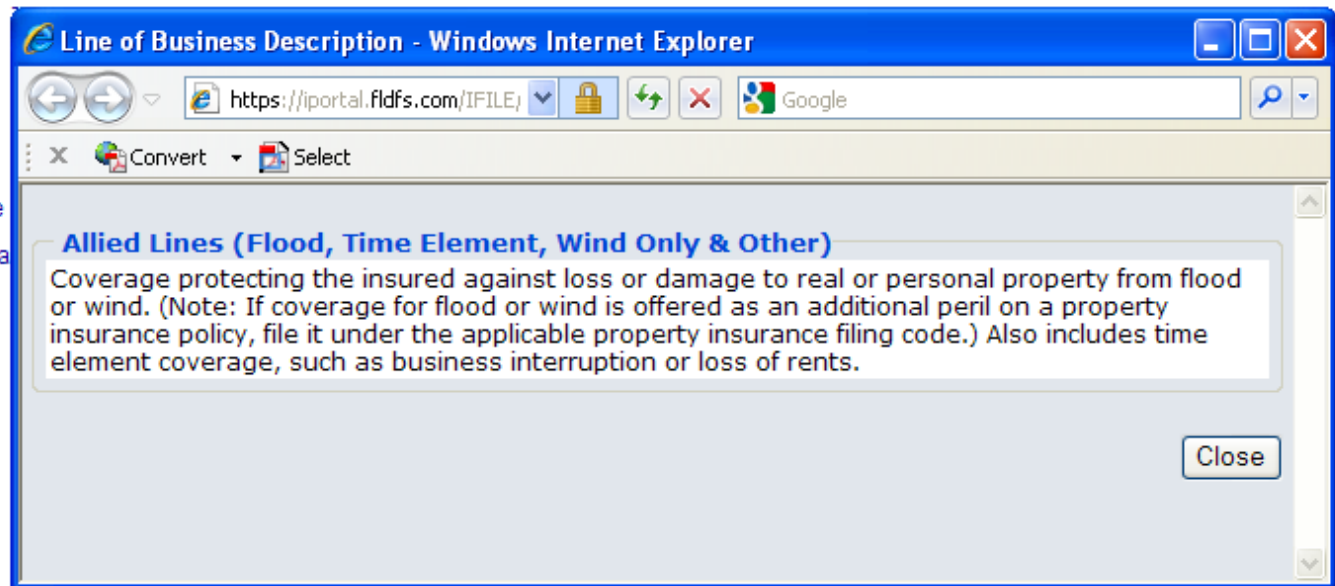
**NOTE:** For FIGA and Citizens recoupment filings, select the line of business that has the highest written premium.

Click "Next" to continue.

### Select Line of Business

- Allied Lines (Flood, Time Element, Wind Only & Other) (020)**
- Auto Warranty (106)
- Bailbonds (245)
- Boiler & Machinery (270)
- Burglary & Theft (260)
- Commercial Auto (Full Coverage)
- Commercial Auto Physical Dam
- Commercial Multi-Peril (050)
- Credit (280)
- Earthquake (120)
- Farmowners Multi-Peril (030)
- Fidelity (230)
- Financial Guaranty (100)
- Glass (250)

Note that clicking on an LOB name displays its definition.





# Select the **Filing Purpose** Carefully

Clicking on  
“click here”  
displays a list  
of the Filing  
Purpose  
Descriptions.

If in doubt,  
ask.



**FLORIDA**  
OFFICE OF INSURANCE REGULATION

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**iFILE**

**IMPORTANT NOTICES**

- **2012 Industry Conference**

**Common Tasks**

- Start a new filing
- Start Data Reporting
- Submit a filing
- Review submitted filings
- Add to a submitted filing

**Other Places**

- Filing workbench

**Select Filing Purpose**

Select the purpose for this filing. Click "Next" to continue.

Please select the purpose for this filing. You are currently authorized to submit a filing for all the purposes that are **bold**. You may choose to create a filing for one of the unauthorized purposes, but you will not be able to submit your filing until you have the Office's authorization.

Please [click here](#) to view a list of purpose descriptions.

- Rates Only
- Forms Only
- Rate & Rule
- Rules Only
- Annual Rate Certification
- Annual Rate Exemption
- Limited Reinsurance/Financing Costs
- FIGA Recoupments Only
- Citizens Recoupments Only
- FHCF Recoupments Only



# “Rates Only” Filing Purpose

## Rates Only

Any filing that affects the premium that is charged to any existing or prospective policyholder other than RECOUPMENTS ONLY (FIGA, CITIZENS or FHCF) or LIMITED REINSURANCE/FINANCING COSTS filings. The following are examples of this sub-type of filing:

- a. Any filing that adds, revises or deletes base rates by territory.
- b. Any filing that adds, revises or deletes rating factors.
- c. Any filing that adds, revises or deletes rating variable definitions.
- d. Any filing that increases or decreases the amount of coverage provided to policyholders.
- e. Any filing that adds, revises or deletes underwriting rules that do affect the premium that is charged to any existing policyholder.



# Filing Workbench





Home
Help
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Account
Filing Search
Logout



### Common Tasks

- Start a new filing
- Copy a filing
- Submit a filing
- Review submitted filings
- Add to a submitted filing
- Remove trade secret from a filing

### Other Places

- Filing workbench

## Filing Workbench

Below is a list of your filings that have not yet been submitted. Choose the one you wish to work on by clicking on its Work Unit Number.

### Choose a filing to work on

Work Unit Number/ File Log Number **	Filing Purpose	Product	Name	Type	Date Created
W16-1533893	Rate & Rule	Homeowners Multi-Peril		Or	1/28/2016 10:42:47 AM
W15-1521921	Rate & Rule	Mobile Home Multi-Peril	mho filing	Or	12/7/2015 04:51:48 PM
W15-1459321	Rules Only	Homeowners Multi-Peril		Or	6/1/2015 12:58:16 PM
W15-1444318	Rate & Rule	PPA / Private Passenger Types (Autos Only)		Or	5/4/2015 04:06:31 PM

Or = Original Filing  
 Re = Response Filing  
 \*\* Will only appear for Response Filing

Delete Filing

# Filing Component List

## Filing Component List



### Common Tasks

- Start a new filing
- Copy a filing
- Submit a filing
- Review submitted filings
- Add to a submitted filing
- Remove trade secret from a filing

### Other Places

- Filing workbench

**Work Unit Number:** W16-1533893

**Name:**

**Purpose:** Rate & Rule

**Product:** Homeowners Multi-Peril

[edit filing details](#)

Listed below are all the components required to submit this filing. To view a component, click on its name. Your changes are automatically saved. To review the current details of your filing, click "Review this Filing".

Component	Last Updated	Status
Company Data	1/28/2016 10:42	Incomplete
Cover Letter	1/28/2016 10:42	Incomplete
OIR-582 P&C Universal Standardized Data Letter	1/28/2016 10:42	Incomplete
Explanatory Memorandum	1/28/2016 10:42	Incomplete
Interrogatories	1/28/2016 10:42	Incomplete
Manual Pages	1/28/2016 10:42	Incomplete
Additional Rules Information	1/28/2016 10:42	Incomplete
Rate Support by Territory	1/28/2016 10:42	Incomplete
Reinsurance Expense Support Personal Property	1/28/2016 10:42	Incomplete
OIR-B1-1790	1/28/2016 10:42	Incomplete
Trade Secret Supplementary Information (Optional) Supplementary documentation that contains trade secret information. An affidavit must be included in each uploaded document.	1/28/2016 10:42	-----
Supplementary Information (Optional) Supplementary Documentation	1/28/2016 10:42	-----

[Review this Filing](#)

[Return to Workbench](#)



# HO Rate & Rule Filing Components

- Company Data
- Cover Letter
- OIR-582
- Explanatory Memorandum
- **Interrogatories**
- Manual Pages (Instructions Provided)
- Additional Rules Info (if Rules Filing; Instructions Provided)
- Rate Support by Territory (Instructions Provided)
- Reinsurance Expense Support Personal Property (Questionnaire Provided)
- OIR-B1-1790 (Certification by CEO/CFO and Actuary)
- Trade Secret Supplementary Information (Optional)
- Supplementary Information (Optional)



# Edit Interrogatories

**Work Unit Number:** W16-1533893

**Name:**

**Purpose:** Rate & Rule

**Product:** Homeowners Multi-Peril

## Interrogatories

Below is a list of interrogatories for this filing. Please answer questions by checking the appropriate selection.

1. Are you someone other than an employee of the company who is making this filing on behalf of the company? Yes No
2. Is this filing being made to comply with a change in Florida law? Yes No
3. Does this filing propose changes in the level of coverage you are providing to your insureds? Yes No
4. Is this filing being made to adjust rates for an existing program with business? Yes No
5. Does this filing include the use of a Catastrophe Model in the determination of any rate level indication? Yes No
6. Does this filing include rates or rating factors that result in a rate change to the Office's RCS rating examples OR is there an overall rate change associated with this filing OR does this filing include the introduction of a new program? Yes No
7. Does this filing propose changes in any rating factor other than base rates (or relativities) by territory? Yes No
8. Do you offer policies excluding wind coverage? Yes No
9. Does your company use credit information, credit reports or credit/insurance scores in underwriting or rating (including any categorization that would affect the premium charged to the insured)? Yes No

Cancel

Clear

Save



# Interrogatories and Additional Components

1. Are you someone other than an employee of the company who is making this filing on behalf of the company? YES -> Consultants Authority Letter
2. Is this filing being made to comply with a change in Florida law? YES -> Law Change Support Documentation
3. Does this filing propose changes in the level of coverage you are providing to your insureds? YES -> Coverage Changes
4. Is this filing being made to adjust rates for an existing program with business? YES -> Rate Level Indications Workbook
5. Does this filing include the use of a Catastrophe Model in the determination of any rate level indication? YES -> Catastrophe Model Support



# Interrogatories and Additional Components

6. Does this filing include rates or rating factors that result in a rate change to the Office's RCS rating examples OR is there an overall rate change associated with this filing OR does this filing include the introduction on a new program? YES -> Rate Collection System (RCS) and RCS Verification
  
7. Does this filing propose changes in any rating factor other than base rates (or relativities) by territory? YES -> Other Rating Factor Changes and GLM or Predictive Model Support
  
8. Do you offer policies excluding wind coverage? YES -> Ex-Wind Credits Exhibit
  
9. Does your company use credit information, credit reports or credit/insurance scores in underwriting or rating (including any categorization that would affect the premium charged the insured)? YES-> Use of Credit





# Answer the Interrogatories Carefully

## Edit Interrogatories

**Work Unit Number:** W12-1164326

**Name:**

**Purpose:** Rate & Rule

**Product:** Homeowners Multi-Peril

Below is a list of interrogatories for this filing. Please answer questions by checking the appropriate selection.

1. Are you someone other than an employee of the company who is making this filing on behalf of the company? Yes No
2. Is this filing being made to comply with a change in Florida law? Yes No
3. Does this filing propose changes in the level of coverage you are providing to your insureds? Yes No
4. Is this filing being made to adjust rates for an existing program with business? Yes No
5. Does this filing include the use of a Catastrophe Model in the determination of any rate level indication? Yes No
6. Does this filing include rates or rating factors that result in a rate change to the Office's RCS rating examples OR is there an overall rate change associated with this filing OR does this filing include the introduction of a new program? Yes No
7. Does this filing propose changes in any rating factor other than base rates (or relativities) by territory? Yes No

Responses can't be changed after the filing has been submitted.

Responses determine which additional components will be included in the filing.

If in doubt, ask.





## **i-File Fatal Errors**

(Errors that result in having to withdraw your filing)

- (1) Using an incorrect **Line of Business**
- (2) Using an incorrect **Filing Purpose** (e.g., Rates Only, Rules Only, Rate & Rule, etc.)
- (3) Answering the **Interrogatories** incorrectly (especially the one associated with the Rate Collection System)



# HO Rate & Rule Filing Components

- Company Data
- Cover Letter
- OIR-582
- Explanatory Memorandum
- Manual Pages
- Additional Rules Info
- Rate Support by Territory
- Reinsurance Expense Support Personal Property
- OIR-B1-1790 (Certification by CEO/CFO and Actuary)
- Consultants Authority Letter
- Law Change Support Documentation
- Coverage Changes
- Rate Level Indications Workbook
- Catastrophe Model Support
- Rate Collection System (RCS) and RCS Verification
- Other Rating Factor Changes
- GLM or Predictive Model Support
- Ex-Wind Credits Exhibit
- Use of Credit
- Trade Secret Supplementary Information (Optional)
- Supplementary Information (Optional)



# Key i-File Components

- Rate Support by Territory
- Reinsurance Expense Support Personal Property
- OIR-B1-1790 (Certification by CEO/CFO and Actuary)
- Rate Level Indications Workbook
- Catastrophe Model Support
- Rate Collection System and RCS Verification
- Other Rating Factor Changes
- GLM or Predictive Model Support
- Use of Credit
- Trade Secret Supplementary Information



# Rate Support by Territory (HO)

- Comparison of the present, indicated and proposed base rates (or relativities) by territory must be provided along with a detailed explanation of the calculation of the indicated rates and supporting data for the proposed rates
- Must be provided even if the requested changes are uniform across all territories
- Must be provided for all territories even if requested changes do not apply to all territories
- Must include actual experience (earned house years, earned premium and incurred losses) for the latest 5 years
- If actual experience lacks credibility it may be supplemented by a competitive analysis
- The territorial indications are expected to reconcile with the statewide indication



# Reinsurance Expense Support

- Questionnaire (9 items)
- Net reinsurance cost broken down into Non-FHCF, Non-FHCF that replaces TICL, and FHCF
- Provide chart showing attachment points of all layers of reinsurance
- Provide all treaties (signed with Interests and Liabilities Agreements)
- For any cost not treated as fixed, provide support
- Provide Probable Maximum Loss (PML) covered by all applicable reinsurance including FHCF and the recurrence period covered by the PML
- Identify catastrophe model used to determine the PML and the cost of reinsurance



# OIR-B1-1790

- Certification by CEO or CFO and Chief Actuary (s. 627.062, F.S.)
- Under oath, do swear and attest...that:
  1. We have reviewed the foregoing rate filing;
  2. The rate filing does not contain any untrue statement of a material fact, or omit to state a material fact necessary in order to make the statements made...not misleading;
  3. The information contained in the rate filing relating to the factors described in s. 627.062(2)(b), F.S., including, but not limited to, investment income, fairly represents in all material respects the basis of the rate filing for the periods presented in the filing; and
  4. The filing reflects all premium savings that are reasonably expected to result from legislative enactments and are in accordance with generally accepted and reasonable actuarial techniques.



# OIR-B1-1790 in a Response Filing

- Responses to the Office’s request for additional information require certification by Actuary only – there is a form available in this component when making a response filing (“Add to a submitted filing”)





# Rate Level Indications Workbook

- Excel workbook
- Has own set of instructions
- **(SUPPORT!)** denotes items that require separate support
- This is the OIR prescribed indication methodology – you can provide alternate methodology with explanation/support
- Do not revise the template!





# Rate Level Indications Workbook 2

## PROJECTED CATASTROPHE LOSSES:

(1)	(22)	(23)	(24)	(25)
---PROJECTED NON-HURR. CAT (\$000's)---				
Accident Year Ending	Losses	ALAE	ULAE	Losses & ALAE & ULAE
	(SUPPORT!)	(SUPPORT!)	(SUPPORT!)	
12/31/2010	\$2,129	\$290	\$11	\$2,429
12/31/2011	1,806	246	9	\$2,060
12/31/2012	1,324	180	7	\$1,510
12/31/2013	1,551	211	8	\$1,770
12/31/2014	1,513	206	8	\$1,726
TOTAL	\$8,322	\$1,132	\$42	\$9,496
	1.76	13.6%	0.5%	

## DEVELOPMENT OF PROJECTED LOSS & LAE RATIO:

(1)	(34)	(35)	(36)	(37)
Accident Year Ending	Actual Incurred Loss & LAE Excl. Cats. (\$000's)	Loss & ALAE Development Factors (SUPPORT!)	Loss Trend Factors	Trended & Developed Incurred Loss & LAE Excl. Cats. (\$000's)
12/31/2010	\$42,633	1.011	1.948	\$83,947
12/31/2011	38,059	1.019	1.820	70,595
12/31/2012	28,755	1.034	1.701	50,575
12/31/2013	34,713	1.060	1.590	58,498
12/31/2014	36,427	1.161	1.486	62,839
TOTAL	\$180,586			\$326,454

(26)	(27)	(28)	(29)	(30)	(31)	(32)	(33)
--- POLICY IN-FORCE DATA --- INSERT APPLICABLE DATE IN YELLOW HIGHLIGHTED CELL ---							
12/31/2014	POLICIES IN-FORCE	PREMIUM IN-FORCE AT C.R.L. (\$000's)	PREMIUM IN-FORCE AT C.R.L. (\$000's)	Projected HURRICANE Losses (\$000's)	Projected HURRICANE ALAE (\$000's)	Projected HURRICANE ULAE (\$000's)	Projected HURRICANE Loss & LAE (\$000's)
	POLICIES THAT INCL WIND	ALL POLICIES	ALL POLICIES				
		(SUPPORT!)	(SUPPORT!)	(SUPPORT!)	(SUPPORT!)	(SUPPORT!)	
	58,002	56,523	\$126,217	\$123,819	\$20,399	\$1,676	\$102
					8.2%	0.5%	\$22,176

(38)	(39)	(40)	(41)	(42)	(43)	(44)	(45)
Projected Incurred Loss & LAE Incl. Non-Hurr Cat (\$000's)	Bad Faith/Punitive Damage Loss & ALAE Incl. in (34) (\$000's)	Projected Incurred Loss & LAE Incl. Non-Hurr Cat. Excl. BF/PD (\$000's)	Adjustment Factor for Law Changes, Etc. (SUPPORT!)	Final Adjusted Expected Incurred Loss & LAE (\$000's)	Projected Incurred Loss & LAE Ratio Incl. Non-Hurr Cat (\$000's)	Selected Accident Year Weights (SUPPORT!)	Weighted Proj. Incurred Loss & LAE Incl. Non-Hurr Cat Excl. BF/PD
\$86,376	\$0	\$86,376	0.900	\$77,750	51.6%	10.0%	
\$72,656	0	72,656	0.938	68,149	47.5%	15.0%	
\$52,085	0	52,085	1.000	52,085	39.2%	20.0%	
\$60,268	0	60,268	1.000	60,268	45.2%	25.0%	
\$64,565	0	64,565	1.000	64,565	50.6%	30.0%	
\$335,950	\$0	\$335,950		\$322,817	46.9%	100.0%	46.6%



# Rate Level Indications Workbook 3

PROSPECTIVE EXPENSE PROVISIONS (% OF PREMIUM):			
(46)	(47)	(48)	(49)
Category of Expected Expense	Fixed Expense Loading *	Variable Expense Loading	Total Expense Loading
	<b>(SUPPORT!)</b>	<b>(SUPPORT!)</b>	
Commissions	0.0%	22.5%	22.5%
Other Acquisition	0.0%	1.0%	1.0%
General	0.2%	0.5%	0.7%
Premium Taxes	0.0%	1.5%	1.5%
Misc. Licenses & Fees	0.0%	0.0%	0.0%
Profit & Contingency	0.0%	4.1%	4.1%
Contingent Commissions	0.0%	0.0%	0.0%
Non-FHCF Reins. Cost***	9.4%	-0.3%	9.1%
FHCF Reins. Cost	2.9%	0.0%	2.9%
Other Expense (Specify**)	0.0%	0.0%	0.0%
<b>TOTAL EXPENSES</b>	<b>12.5%</b>	<b>29.3%</b>	<b>41.8%</b>
<b>PERMISSIBLE LOSS &amp; LAE</b>			<b>58.2%</b>

25.7%

\* - Must reflect trend and/or other adjustments since last filing  
 \*\* - (Specify in detail here)  
 \*\*\* This cost must exclude the Cost of Reinsurance to Replace available TICL Coverage including the TICL Reduction. The Cost of Reinsurance to Replace available TICL Coverage including the TICL Reduction must be included in (59A).

DEVELOPMENT OF RATE LEVEL INDICATIONS:		
(50)	17.6%	Projected Hurricane Loss & LAE ratio
(51)	64.2%	Proj. Incurred Loss & LAE Ratio (Incl. all catastrophes)
(52)	12.5%	Expected Fixed Expense Ratio
(53)	29.3%	Expected Variable Expense Ratio
(54)	<b>8.5%</b>	<b>Rate Level Indication (Before Credibility)</b>
(55)	<b>1.00</b>	Credibility <b>(SUPPORT!)</b>
(56)	15.2%	Expected Annual Net Trend (i.e., Projected Loss Trend Net of Premium Trend)
(57)	1.00	Assumed Number of Years Since Last Rate Review
(58)	15.2%	Expected Net Trend Since Last Rate Review (Value receives complement of credibility)
(59)	<b>8.5%</b>	<b>Credibility-Weighted Rate Level Indication</b>
(59A)	<b>3.6%</b>	<b>Cost of Reinsurance to Replace available TICL Coverage including the TICL Reduction</b>
(59B)	<b>12.1%</b>	<b>Rate Level Indication including (59A)</b>
(60)	<b>8.2%</b>	<b>Company Selected Rate Change</b>

**(SUPPORT!)**

# Rate Level Indications Notes

- Partial accident years will not be accepted
- Loss experience evaluation date should generally be a date within the last 6 months
- Absent any supporting data, each rate level indication is included in a range whose maximum is the rate level indication and whose minimum is the rate level indication adjusted to eliminate profit & contingencies and investment income
- Per Actuarial Memorandum Rule 690-170.0135, F.A.C., the ultimate incurred losses shall be based on best estimate assumptions
  - Note that a conservative loss trend selection effectively includes a risk provision
  - Risk provision should be in profit & contingencies



# Rate Level Indication Support

- (1) An exhibit that lists your rate level history and includes an explanation of the calculation of the "Current Rate Level Factors"
- (2) Supporting data for the selected "Annual Premium Trend"
- (3) Your definition of non-hurricane catastrophe losses
- (4) An explanation of the derivation of the "INCURRED ULAE" amounts along with supporting Florida data.
- (5) Supporting data for the selected "Annual Loss Trend (Up-to-Date)" and the "Annual Loss Trend (Projected)"
- (6) Supporting data for the selected "Loss & ALAE Development Factors" (Include Florida-only historical Loss & ALAE data consistent with the "ACTUAL INCURRED LOSSES Excl. Cats." and the "ACTUAL INCURRED ALAE Excl. Cats." included in the indications)
- (7) Detailed supporting data for the "PROJECTED NON-HURR. CAT." amounts
- (8) Detailed supporting data for the "Projected HURRICANE Losses, ALAE, and ULAE" amounts. The "Projected HURRICANE Losses" must be from a model accepted by the Florida Commission on Hurricane Loss Projection Methodology and may not be modified or adjusted. The date of the policy in-force data (see yellow highlighted cell G51) should be same as the last day of the most recent accident year included on the Rate Indication Form. If more current data is appropriate, provide it and explain why it is more appropriate.
- (9) Supporting data for the "Selected Accident Year Weights"
- (10) Supporting data for the selected "Credibility". Note - this Credibility is applied to the sum of the Proj. Incurred Loss & LAE Ratio (Incl. all catastrophes) plus the Expected Fixed Expense Ratio.
- (11) Supporting data for the selected "Fixed Expense Loading" by category including the latest three years of historical data if available
- (12) Supporting data for the selected "Variable Expense Loading" by category including the latest three years of historical data if available
- (13) Supporting data for any "Adjustment Factor for Law Changes, Etc." other than 1.000




After uploading the indications workbook template, the Rate Level or Loss Cost Indication Workbook component is still “Incomplete.”

## Rate Level Indications Workbook - HO/DF/MHO

**Work Unit Number:** W12-1164326  
**Name:**  
**Purpose:** Rate & Rule  
**Product:** Homeowners Multi-Peril

Based upon your answers to the previous questions about your rate changes, you are required to provide support in the form of a Rate Level Indications Workbook. Please download the form entitled 'Template for Rate Level Indications Workbook.' Within this template you will find detailed instructions for its completion. You will most likely need to fill out this form multiple times so please save the blank template to your hard drive. Once you have completed the form(s), please save the completed form(s) to your hard drive and then upload them here.

 [Template for Rate Level Indications Workbook - HO/DF/MHO](#)

After you have uploaded a spreadsheet, click on the Program name for that spreadsheet and you will be prompted to upload all required supporting documentation for that particular program's indications.

Program	Date Uploaded
<a href="#">Program Name</a>	6/1/2012

This component requires 2-steps:

- (1) Upload the completed template;
- (2) Click on the program name assigned to the template and upload the support for that template.

# Catastrophe Model Support

- Identify the catastrophe model used to project hurricane losses, determine Probable Maximum Loss (PML) levels, determine the cost of reinsurance
- Provide model input
- Provide model output
- 57 additional questions regarding the model





# Rate Collection System (RCS) and RCS Verification

RCS collects:

Rating examples, which are rates for specified risk scenarios (2005 or 1990 masonry home with or without windstorm loss mitigation)

Rate Level Effect forms that measure the overall rate effect by territory and statewide (based on earned house years and earned premium)



# RCS Rating Examples

## Rate Collection

### Rate Component List

Component Name	Last Updated Date	Status
Premium Breakdown	4/22/2008 3:25:41 PM	Incomplete
<b>CYPRESS 2001 (HO)</b>		
Rating Example for HO-3	4/22/2008 3:25:41 PM	Incomplete
Rate Level Effect	4/22/2008 3:25:40 PM	Incomplete
Statewide Rate Level Effect	4/22/2008 3:25:40 PM	Incomplete

**HO-3 \$150K New Construction:** Masonry structure insured for replacement cost at \$150,000 with a 2% Hurricane Deductible and a \$500 deductible for all other Section I perils combined; Other structures insured at 10% of the amount of insurance on the structure; Contents insured for replacement cost at 50% of the amount of insurance on the structure; Loss of Use insured at 20% of the amount of insurance on the structure; \$100,000 Liability coverage; \$1,000 Medical expense; Ordinance or law coverage provided at 25% of the amount of insurance on the structure; I.S.O. Protection Class 4; I.S.O. HO-3 POLICY TYPE. The rates should be ANNUAL RATES for NEW BUSINESS for a 40 YEAR OLD INSURED with NO CLAIMS IN THE PAST 3 YEARS and a NEUTRAL CREDIT SCORE. The structure was built in 2005 and does NOT have a hip roof. Sinkhole coverage is included with a \$500 deductible. The ONLY recoupment that should be included in the rate is the Florida Hurricane Catastrophe Fund reimbursement premium recoupment, if applicable.



# RCS Verification

RCS Verification exhibit requires that you provide:

1. Step-by-step rating for each rating example in one territory
2. A list of the terrain (B,C,HVHZ) used for the determination of the windstorm loss mitigation credit for each territory
3. Support for the current average annual premium and proposed average annual premium in the Rate Level Effect form



# RCS Training Videos and User Manual



## Common Tasks

- **Set up an account**
- **Start a new Form or Rate filing**
- **Forms and Rates Workbench**

## User Manuals

- **L&H IFile Introductory User Guide**
- **P&C IFile Introductory User Guide**
- **P&C RCS Training and User Manual**

## Welcome to the Industry Portal

Welcome to the Florida Office of Insurance Regulation Industry Portal. The Industry Portal is a convenient, single point of entry for insurance companies and related entities to access the Filing Assembly and Submission System, online Rate Collection Systems, Quarterly Submission Reports, and other related content.

- **Form & Rate Filing Assembly and Submission**
- **Regulatory Electronic Filing System (REFS)**
- **Data Collection and Analysis Modules (DCAM)**
- **QUASR (Filings Before 2015 Only)**
- **Professional Liability Claims Reporting**
- **Update Disaster Contact Information & PIP Contact Information**
- **Workers' Compensation Data Collection**
- **iApply - Online Company Admissions**



# RCS Common Errors:

1. Completing a template in RCS and including too many decimal places in the cell. (For example, if the cell displays dollars and cents, copy to that cell a value that has already been rounded to two decimal places. Including additional decimal places in the cell (even though you don't see them displayed) may result in an error.
2. Using incorrect age of home factors in the Homeowners Rating Examples. (If the filing is effective in 2012, an example risk constructed in 2005 should be rated as being 7 years old.)
3. Not providing an RCS verification exhibit for both the Rating Examples and the Rate Level Effect form.
4. Revising an RCS template.



# Other Rating Factor Changes

- Comparison of the present, indicated and proposed rating factors along with a detailed explanation of the calculation of the indicated factors and supporting data/information for the proposed.
- For factors applied to non-hurricane portion of premium, support must include the actual experience (earned house years, earned premium and incurred losses) for the latest five years and any other data used in the determination of the proposed factors.
- For factors applied to hurricane portion of premium, support must include results from an accepted catastrophe model.
- If actual experience lacks credibility, it may be supplemented by a competitive analysis.



# GLM or Predictive Model Support

13 questions regarding:

- Data used
- Model details
- Showing that the results are statistically valid and are a significant improvement over the use of multiple single variable analyses for each explanatory variable and for the final overall model as a whole
- Person(s) who performed analysis and their qualifications



# Use of Credit

Two questionnaires:

## A. Questionnaire on the Use of Credit

- Whose credit is used (applicant, named insured, etc)
- Identification of credit scoring methodology
- Adverse decision reasons
- Treatment of no hit/no score

## B. Questionnaire on the Development of Credit/Underwriting Scores for Use by Insurers

- Model formula
- All data input used by the model developers
- Statistical results showing model and parameters are statistically significant and not overlapping or duplicative of any other rating variables





# Trade Secret

- Informational Memorandum OIR-14-02M (issued May 2, 2014)
- Notifies users of changes to I-File that allow user to submit Trade Secret documents
- Reminds users of the requirements of s. 624.4213, F.S., regarding the filing of Trade Secret documents



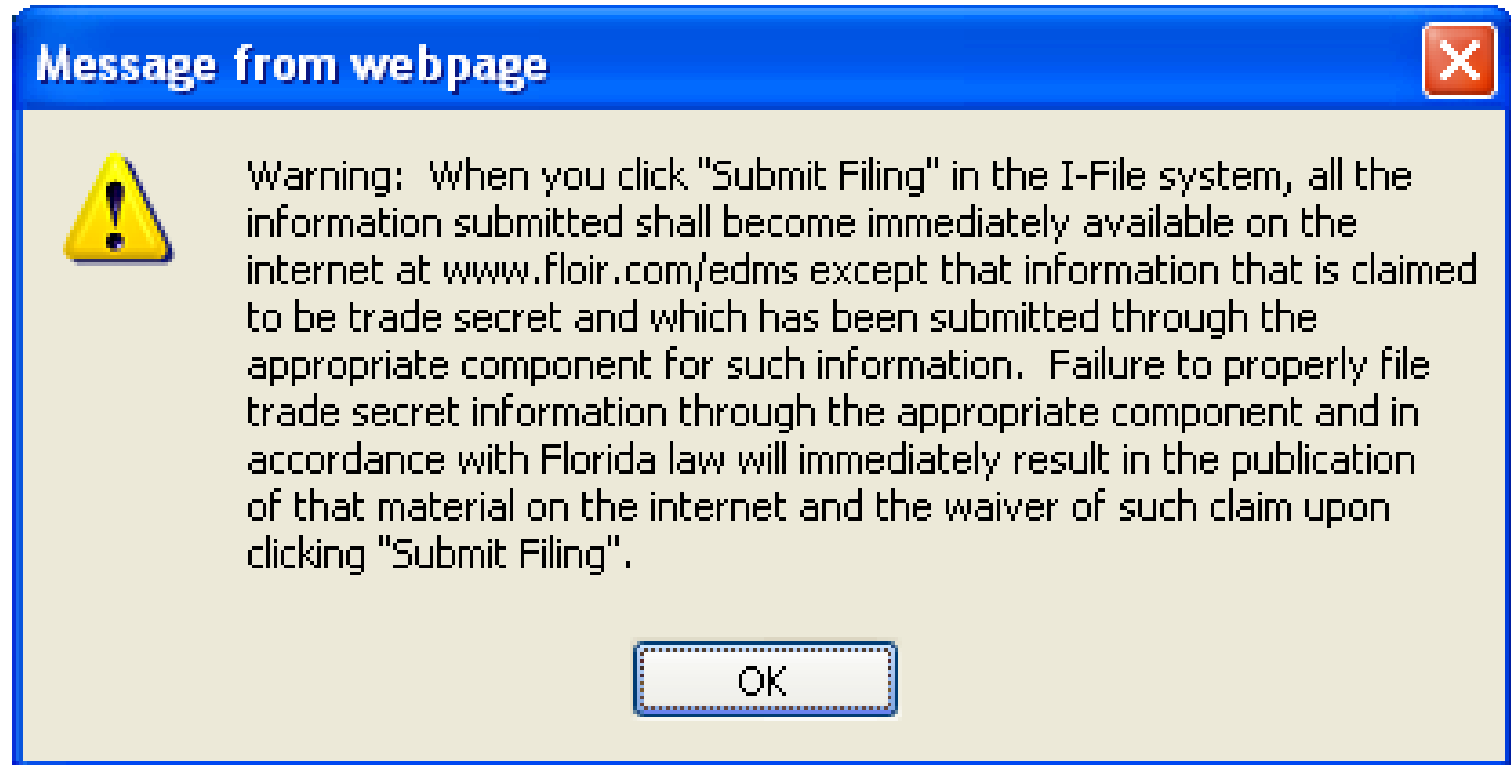
## s. 624.4213, F. S. Trade Secret Documents

- (1) (a) Each page of such document or specific portion of a document claimed to be a trade secret must be clearly marked as “trade secret.”
- (b) All material marked as trade secret must be separated from all non-trade secret material, such as being submitted in a separate envelope clearly marked as “trade secret.”
- (c) In submitting a notice of trade secret to the office or department, the submitting party must include an affidavit certifying under oath to the truth of the following statements concerning all documents or information that are claimed to be trade secrets:
  1. [I consider/My company considers] this information a trade secret that has value and provides an advantage or an opportunity to obtain an advantage over those who do not know or use it.
  2. [I have/My company has] taken measures to prevent the disclosure of the information to anyone other than those who have been selected to have access for limited purposes, and [I intend/my company intends] to continue to take such measures.
  3. The information is not, and has not been, reasonably obtainable without [my/our] consent by other persons by use of legitimate means.
  4. The information is not publicly available elsewhere.



# Use “Trade Secret” with Caution

Recall agreeing to this when you began your i-File session:



[Home](#)[Help](#)[Contact Us](#)[Account](#)[Filing Search](#)[Logout](#)

### IMPORTANT NOTICES

- 2012 Industry Conference

### Common Tasks

- Start a new filing
- Start Data Reporting
- Submit a filing
- Review submitted filings
- Add to a submitted filing

### Other Places

- Filing workbench

## File Upload

**Work Unit Number:** W12-1164326

**Name:**

**Purpose:** Rate & Rule

**Product:** Homeowners Multi-Peril

Select the file you wish to include with this filing component. To choose a file, click Browse. Navigate to the location of the file on your computer, and click Open. After you have selected the file you wish to upload, click Upload. If you do not wish to upload any files, click Cancel.

**Files must be less than 10 Megabytes (10,000 Kilobytes) in size.**

Please select the file you wish to upload as your Reinsurance Expense Support Personal Property:

Title

File to upload

Contains "Trade Secret" Information

(**Note:** A claim of trade secret must comply with the provisions of Sections 624.4213, 815.045 and 812.081, Florida Statutes.)

**Note:** Items marked as containing "Trade Secret" information must be accompanied with a document that fully describes the factual basis entitling the items(s) to protection. Please select the file you wish to upload as your "Trade Secret" justification document:

File to upload





### Common Tasks

- Start a new filing
- Copy a filing
- Submit a filing
- Review submitted filings
- Add to a submitted filing
- Remove trade secret from a filing

### Other Places

- Filing workbench

## Filing Component List

Work Unit Number: W16-1533893

Name:

Purpose: Rate & Rule

Product: Homeowners Multi-Peril

[edit filing details](#)

Component	Last Updated	Status
<a href="#">Company Data</a>	2/15/2016 11:23	Complete
<a href="#">Cover Letter</a>	2/15/2016 11:23	Complete
<a href="#">OIR-582 P&amp;C Universal Standardized Data Letter</a>	2/15/2016 11:24	Complete
<a href="#">Explanatory Memorandum</a>	2/15/2016 11:24	Complete
<a href="#">Interrogatories</a>	1/28/2016 11:44	Complete
<a href="#">Manual Pages</a>	2/15/2016 11:25	Complete
<a href="#">Additional Rules Information</a>	2/15/2016 11:26	Complete
<a href="#">Rate Support by Territory</a>	2/15/2016 11:26	Complete
<a href="#">Reinsurance Expense Support Personal Property</a>	2/15/2016 11:27	Complete
<a href="#">OIR-B1-1790</a>	2/15/2016 11:27	Complete
<a href="#">Supplementary Information (Optional) Supplementary Documentation</a>	1/28/2016 10:42	-----
<a href="#">Trade Secret Supplementary Information (Optional) Supplementary documentation that contains trade secret information. An affidavit must be included in each uploaded document.</a>	1/28/2016 10:42	-----
<a href="#">Consultants Authority Letter</a>	2/15/2016 11:28	Complete
<a href="#">Law Change Support Documentation</a>	2/15/2016 11:28	Complete
<a href="#">Coverage Changes</a>	2/15/2016 11:28	Complete

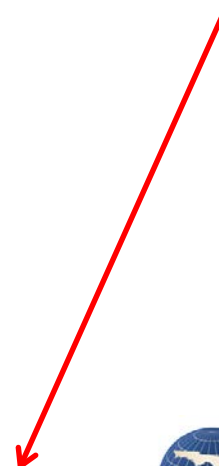
[Review this Filing](#)

[Return to Workbench](#)

53

[Submit Filing](#)

When each component is "Complete" you can Submit the Filing



# Once Submitted...

- Once the filing is submitted, you will receive an email telling you the filing has been received and assigned a file log number



# What Makes a Good Florida Rate Filing?

- 1) Know and Follow the Instructions
  - a) Key Florida Statutes and Rules
  - b) i-File
  - c) General Rate Filing Requirements
- 2) Consider your Filing Presentation**
  - a) Understand the Review Process
  - b) Help the Reviewer to Navigate
- 3) There is Always Something to Learn
  - a) From Previous Filings and from Others
  - b) From Current Topics
  - c) Know when/where to ask for Help



# Understand the Review Process

- For each component, were the instructions followed? (Responses to questionnaires, experience data, calculations of indicated, explanation of judgment used)
- Do I understand the support provided? (Can I follow the calculations? Does it make sense?)
- Can I find all of the supporting information needed? (Especially if not in same file)





# Consider your Filing Presentation

- Filings include A LOT of information!
- A good filing anticipates this and provides help to the reviewer to find the support and navigate the filing
- Don't make the review more difficult by filing duplicates! (e.g., both pdf and Excel versions)
- A poorly made filing is like a box of paper dumped on your desk and you are left to "solve the mystery"



**- Filing Information**

Company:  Rate Review  
 Filing Number: FCP  (Rates)  
 Product: Homeowners Multi-Peril (040 + 04.0000FL)  
 Date Filed: 12/21/2015 Effective Date (New): 4/15/2016  
 DEEMER DATE : 3/20/2016 (In 34 Days) Effective Date (Renewal): 6/1/2016

**- Routing Information**

Response:  Recipients:  
  
 Comments:

**- Attachment Information**

Select attachment after saving:  Browse...  
 Attachment Type:  Attach Replace

	Create Date	Creator	Attachment Type	File Name	eMail
<input type="radio"/>	1/11/2016 5:07:16 PM	LammersK	Public Model Data Request	Florida Public Hurricane Loss Model v8 1 Inputs for Personal Residential Policies as of 8-3-15.docx	
<input type="radio"/>	2/10/2016 1:48:04 PM	LammersK	Clarification Letter	15-25127-Clarification Letter.rtf	

**Documents**      P&C Data      Company Info      Rates Data

	Type	Title	Date	Move To	Status	Trade Secret?
	Miscellaneous	Consultants Authority Letter	12/21/2015			
2	Miscellaneous	Reinsurance Expense Support Personal Property	12/21/2015			
3	Miscellaneous	Reinsurance Contract 1	12/21/2015			Y
4	Miscellaneous	Reinsurance Contract 2	12/21/2015			Y
5	Miscellaneous	Reinsurance Contract 3	12/21/2015			Y
6	Miscellaneous	Reinsurance Contract 4	12/21/2015			Y
7	Miscellaneous	Reinsurance Contract 5	12/21/2015			Y
8	Miscellaneous	Reinsurance Contract 6	12/21/2015			Y
9	Miscellaneous	Reinsurance Contract 7	12/21/2015			Y
10	Miscellaneous	Reinsurance Contract 8	12/21/2015			Y
11	Miscellaneous	Reinsurance Contract 9	12/21/2015			Y
12	Miscellaneous	Reinsurance Contract 10	12/21/2015			Y
13	Miscellaneous	Reinsurance Contract 37	12/21/2015			Y
14	Miscellaneous	Reinsurance Contract 11	12/21/2015			Y
15	Miscellaneous	Reinsurance Contract 36	12/21/2015			Y

This is what a filing looks like to the reviewer

# Provide Descriptive Container Names

- Although I-File provides a default name for each component, don't use them!
- **INSTEAD** provide names that match the names used in the Explanatory/Actuarial Memorandum OR names that describe the contents of the container
- Example: "QS Contract" instead of "Reinsurance Contract 37"



# Help the Reviewer to Navigate

- Filing needs to be self-contained
- Provide all exhibits in Excel with the formulas visible – use external links with caution
- Provide an Explanatory/Actuarial Memorandum that meets the Actuarial Report requirements of ASOP No. 41 (Actuarial Communication) – identify the methods, procedures, assumptions, and data used by the actuary with sufficient clarity that another actuary qualified in the same practice area could make an objective appraisal of the reasonableness of the actuary's work



# What Makes a Good Florida Rate Filing?

- 1) Know and Follow the Instructions
  - a) Key Florida Statutes and Rules
  - b) i-File
  - c) General Rate Filing Requirements
- 2) Consider your Filing Presentation
  - a) Understand the Review Process
  - b) Help the Reviewer to Navigate
- 3) There is Always Something to Learn**
  - a) From Previous Filings and from Others
  - b) From Current Topics
  - c) Know when/where to ask for Help




# Learn from Previous Filings and from Others


- Review previous clarification letters from your prior filings
- Review the Office's comments and indications from your prior filings
- If curious, Look at other company's filings using the Filing Search utility




# Filing Search



**FLORIDA**  
OFFICE OF INSURANCE REGULATION






[Home](#) | [Contact Us](#) | [Account](#) | [Filing Search](#) | [Logout](#)



## Filing Assembly Submission System

**Welcome to the Filing Assembly Submission System (FASS). Here, you can build and maintain filings required by the Office. To start a new filing, click [Start a new filing](#). To work on an existing filing, click [Work on an in-progress filing](#). To review a filing already submitted to the Office, click [Review submitted filings](#).**

### Choose a Task

 <a href="#">Start a new filing</a>	 <a href="#">Work on an in-progress filing</a>	 <a href="#">Review submitted filings</a>
--	--	--

#### Common Tasks

- [Start a new filing](#)
- [Copy a filing](#)
- [Submit a filing](#)
- [Review submitted filings](#)
- [Add to a submitted filing](#)
- [Remove trade secret from a filing](#)

#### Other Places

- [Filing workbench](#)



**Disclaimer: Displayed rate changes may not fully reflect increases and decreases due to claims of trade secret**

Introduction

Quick Search

Advanced Search

Results

History

Select an Area

Life & Health

Property & Casualty

Enter Criteria (Check box to display in results)

Company Name:

Begins With  Contains

Filing Prefix

File Log Number:

Company FEIN:

NAIC Company Code:

NAIC Group Code:

Line of Business:

Select a line of business

Type of Insurance:

Sub Type of Insurance:

Filing Type:

Forms Only  Rates Only

Policy/Form Number:

Effective Date (New):

From:   To:

Effective Date (Renewal):

From:   To:

Date Filed:

From:   To:   Or

Date Closed:

From:   To:   Or

Final Action:

Select one or more final actions(s)

Keywords:

Select one or more keyword(s)

Search

Reset







# I-File Forms & Rates Filing Search

Note: All filings made prior to 1/5/2001 are not available for review

**Disclaimer: Displayed rate changes may not fully reflect increases and decreases due to claims of trade secret**

Introduction Quick Search Advanced Search **Results** History

Total of 1 rows returned

Rows/page: 20 Refresh View All

Click to Open Filing	File Log Number	Company Name * (* group filing)	Product	Filing Type	Date Filed	Date Closed	Final Action
	15-25057	TOWER HILL PREFERRED INSURANCE COMPANY	Homeowners Multi-Peril	Rates	12/17/2015		OPEN

**FCP 15-25057** | TOWER HILL PREFERRED INSURANCE COMPANY

Filing Information:

Company FEIN:	561543230	NAIC Group Code:	3484
Date Filed:	12/17/2015	NAIC Company Code:	29050
Date Closed:		Area:	PandC
Final Action:	OPEN	Filing Type:	Rates
Effective Date (New):	05/01/2016	Effective Date (Renewal):	05/01/2016
Line of Business:	040 Homeowners Multi-Peril		
Type of Insurance:	04.0 Homeowners		
Sub Type of Insurance:	04.0000FL Homeowners Multi-Peril		
Product Name:	Homeowners Multi-Peril		

Group Information:

Company Name	Company FEIN	NAIC Company Code	NAIC Group Code
TOWER HILL PREFERRED INSURANCE COMPANY	561543230	29050	3484

Filing Actions:



Fields marked with an asterisk (\*) have been asserted "Trade Secret" by the company.

1

\* - Fields marked with an asterisk (\*) have been asserted "Trade Secret" by the company.



### Filing Document Request

Below is a list of all documents available in the selected form or rate filing. There are three options for requesting documents within a filing: 1) as a single PDF containing all documents in the filing; 2) as a single request only containing stamped documents; or 3) through a manual selection of only the individual documents you wish to receive. In the "Request Type" field below, select the preferred method. If you are requesting individual documents by manual selection, check the applicable box next to each document. Next, enter a valid email address and then answer the math question provided in the image box. Click "Submit" to finalize the request. Your request will be processed and the documents sent to the email address provided.

**NOTE: Documents marked as trade secret cannot be requested.**

File Log Number: 15-25057

Request Type:

Select an action...

Close

	Document Title/Type	Form Number	Document Date	Document Status	
<input type="checkbox"/>	RCS Verification - 1102 Rate Examples <i>Miscellaneous</i>		12/17/2015		▲
<input type="checkbox"/>	RCS Verification - 1104 Calculation Examples <i>Miscellaneous</i>		12/17/2015		
<input type="checkbox"/>	Manual Pages <i>Miscellaneous</i>		12/17/2015		
<input type="checkbox"/>	Additional Rules Information <i>Miscellaneous</i>		12/17/2015		
<input type="checkbox"/>	Reinsurance Expense Support Personal Property <i>Miscellaneous</i>		12/17/2015		
<input type="checkbox"/>	MGA Contract <i>Miscellaneous</i>		12/17/2015		
<input type="checkbox"/>	Consultants Authority Letter <i>Miscellaneous</i>		12/17/2015		▼

Document Count: 64

\* - Fields marked with an asterisk (\*) have been asserted "Trade Secret" by the company.



# New Program Filings

- Easier if you copy from one competitor, but not necessary
- Provide underwriting comparison and make adjustments to rates if needed
- Provide expense comparison and make adjustments to rates if needed
- Be sure to answer “yes” to RCS Interrogatory



# “Me-too” Filings

- The Office approves rates (found on stamped manual pages) not methodology
- No such thing as a “sort of” me-too, should be an exact copy if the company has no experience
- If the company has experience, follow Other Rating Factor Support instructions, provide it and use the competitor’s factors as the complement of credibility



# New and Innovative

- The Office offers guidance to insurers who want to support rates and rating factors for new and innovative products
- Available upon request



# FHCF Reinsurance Expense

- Office uses a worksheet to determine the FHCF reinsurance expense
- Calculations are based on the FHCF Ratemaking Report
- Specifically, the worksheet uses the loss and LAE recovery ratios that the FHCF used to determine rates based on industry data - the Office uses this basis since it is more reliable
- The worksheet is available upon request



# Credibility of Hurricane Catastrophe Model Results

- In both statewide and territorial indications, some filers attribute 100% credibility to the results of the hurricane model, even when the number of exposures input into the model is very low
- Support is needed for justification of these results
- Stating all model results are fully credible **is not** sufficient support



# Citizens Take-out Filings

- Citizens take-out filings often have less than a month from the time of the take-out application to when the Office needs to approve rates
- Rate filings need to support the expected cost, which includes specifying the take-out criteria and supporting both losses and expenses
- Competitiveness with Citizens has to be considered





# Pre-Filing Rate Reviews

- Property rate filings submitted with the OIR-B1-1790 certification must be complete as filed
- At the request of either the Office's management or the assigned actuary, complex filings can be discussed prior to submission to eliminate any uncertainty regarding the required support





# Questions? “Contact Us”

Include the File Log number (or Work Unit Number from Filing Workbench if not yet submitted).

Include a description of what you are trying to do and what the error or question is.

Note we will contact the i-File user associated with the username that submitted the issue. If you share the account, provide contact information.

The screenshot shows the Florida Office of Insurance Regulation website. At the top, there is a navigation bar with links for Home, Help, Contact Us (circled in red), Account, Filing Search, and Logout. Below the navigation bar is a sidebar with 'Common Tasks' and 'Issue Tracking' sections. The main content area is titled 'Issue Tracking System' and 'Technical Support'. It provides instructions for submitting technical support requests and lists various forms available for submission.

**FLORIDA**  
OFFICE OF INSURANCE REGULATION

Home Help **Contact Us** Account Filing Search Logout

**iFILE**

**Issue Tracking System**

**Technical Support**

**For computer related technical support (e.g. Connection problems, Page or Browser errors, etc.):**  
Fill out one of the following forms to send a message to the Industry Portal Support Staff. Please be as descriptive as possible. If more information is needed, you will be contacted via Email or telephone.

- [Comment](#) - A form for general comments about the Industry Portal.
- [Enhancement](#) - A suggestion form for enhancements to the Industry Portal.
- [Error](#) - A form to send errors to Industry Portal Support Staff.
- [Question](#) - A question form to send general questions to the Industry Portal Support Staff.

**For insurance related questions concerning filing submissions:**

- If you are encountering an error that is preventing you from completing your task, or you have a question about data integrity, please contact a support representative at (850)413-3152 (L&H Forms and Rates) or (850)413-3146 (P&C) or (850)413-3147 (Market Research Unit representative).

**For questions relating to appointments:**

- If you are encountering an error that is preventing you from completing your task, or you have a question about data integrity, please contact a support representative at (850)413-3137 Extension - 1101.

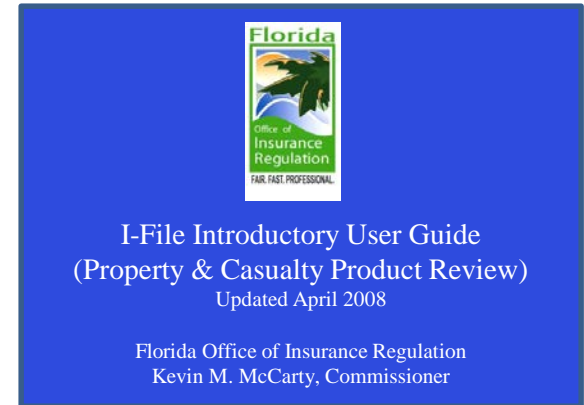
**Common Tasks**

- [Return to Industry Portal](#)
- [Submit a comment](#)
- [Submit an enhancement](#)
- [Submit an error](#)
- [Submit a question](#)

**Issue Tracking**

- [Show all](#)
- [Show submitted](#)
- [Show responded](#)
- [Show evaluated](#)
- [Show approved](#)
- [Show rejected](#)
- [Show change made](#)





# Any Questions?

[Kayne.Smith@flor.com](mailto:Kayne.Smith@flor.com)

(850)413-5378

Florida Office of Insurance Regulation  
Property and Casualty Product Review  
(850)413-3146

