

2010 Revised Inland Marine Form, Rate, Rule filing requirement guidelines

Revised with reference to ORS 737.205 - 5/25/2010

The Oregon Insurance Division (OID) has had several questions lately concerning Inland Marine rate, rule, and form filing requirements.

While ORS 737.205 requires rates and rules for all property and casualty products including Inland Marine to be filed prior to use, specific exemptions to ORS 737.205 exist in statute. Some Inland Marine products can be exempt from the rate and rule filing requirements but only if they meet the statutory exemptions.

ORS 742.003 (1) (a) exempts unique policies that provide an individual policyholder with coverage for a particular risk from form filing requirements. If the policy meets the form filing exemption, then the policy rates usually are not based upon manual rates and may not need to be filed. This is not an exemption from compliance with the insurance statutes or rules. All rates and forms are required to comply with Oregon law and are subject to a market conduct examination or review upon request in accordance with ORS 737.235 and ORS 743.003 (4).

ORS 737.330 (2) exempts Inland Marine rate filings if form filings are not required by ORS 742.003 (1) (a). The exemption is for **a particular risk or subject**. This is further clarified by OAR 836-010-0011 (1) (b) that exempts rates for negotiated forms described in ORS 742.003.

If you are writing a unique inland marine policy for a single policyholder a rate filing may not be required. You should review the statutes and rule to determine if a rate filing exemption applies. Statutory and regulatory references are provided below.

ORS 737.205 Filing rates, plans with director; public inspection of filings; effect on workers' compensation filings. (1) Every insurer shall file with the Director of the Department of Consumer and Business Services copies of the rates, rating plans and rating systems used by it. Except as provided in ORS 737.207, 737.209 and 737.320 (2), each filing shall become effective immediately on the date specified therein but not earlier than the date such filing is received by the director. **This subsection does not apply to inland marine risks which by general custom of the business are not written according to manual rates or rating plans.**

ORS 737.330 Contracts to comply with effective filings; exception. (1) No insurer shall make or issue a policy except in accordance with the filings which are in effect for the insurer as provided in this chapter.

(2) This section does not apply to policies for inland marine risks as to which filings are not required.

ORS 742.003 Filing and approval of policy forms; rules. (1) Except where otherwise provided by law, no basic policy form, or application form where written application is required and is to be made a part of the policy, or rider, indorsement or renewal certificate form shall be delivered or issued for delivery in this state until the form has been filed with and approved by the Director of the Department of Consumer and Business Services. This section does not apply to:

(a) Forms of unique character which are designed for and used with respect to insurance upon a particular risk or subject.

OAR 836-010-0011, Filing, Review of Rates and Forms

(1) Except as provided in this section, this rule applies to filings of all insurers, including health care service contractors as defined in ORS 750.005, multiple employer welfare arrangements as governed by 750.301 to 750.431 and fraternal benefit societies as governed by ORS Chapter 748. This rule does not apply to:

(a) Purchasing group insurance filings.

(b) **Negotiated forms as described in ORS 742.003, but only if each of the negotiated forms is issued only to one policyholder**, the insurer has determined that the forms comply with benefits and coverages mandated by statute and the forms have a company-assigned form number.