

Department of Consumer & Business Services
Oregon Division of Financial Regulation – 5
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RATING ORGANIZATION LOSS COST STANDARDS FOR COMMERCIAL LINES MODIFICATION FACTORS

This checklist has been designed to assist insurers by providing the pertinent statutes, rules and bulletins that may apply. It must be reviewed and completed in compliance with OAR 836-010-0011(2). However, it does not need to be included with a submission. The standards, in some cases, are summaries. Review of the entire statute or rule may be necessary. Please review each statement for compliance and mark the appropriate box. If the statement is not included and is not required to be included, an “N/A” may be indicated. If this checklist is needed to facilitate the review of the filing, the reviewer may request the completed checklist (product standards) at any time. Please see ORS 731.296 and ORS 731.016.

TOI (type of Insurance) code:

- 01.0 Property – Commercial (fire & allied lines)
- 05.0 Commercial Multi Peril (liability and non liability)
(e.g. Businessowners, Commercial Farm and Ranch, Manufacturers Output, etc.)

- 09.0 Inland Marine

- 11.0 Medical malpractice (claims made/occurrence)
- 17.0 General Liability
(e.g. Employment Practices, E & O, D&O, Contractual Liability, etc.).

Sub-TOI:

- 01.0001 Commercial Property - Fire & Allied Lines
- 05.0000 CMP Sub-TOI Combinations
- 05.0001 Builders Risk
- 05.0002 Businessowners
- 05.0003 Commercial Package
- 05.0004 Manufacturers Output
- 05.0006 Coml. Farm and Ranch
- 05.0007 Other CMP
- 09.0002 Difference in Conditions (DIC)
- 09.0005 Other Commercial Inland Marine
- 11.0000 Med. Mal. Sub-TOI Combinations
- 17.0001 Commercial General Liability
- 17.0004 Contractual Liability
- 17.0006 Directors and Officers
- 17.0008 Employee Benefit Liability
- 17.0009 Employers Liability
- 17.0019 Professional E & O Liability

(list continued on next page)

TOI (type of Insurance) code:

- 20.0 Automobile - Commercial

- 23.0 Fidelity
- 24.0 Surety
- 26.0 Burglary and theft
- 27.0 Boiler & Machinery or Equipment Breakdown & Machinery

Sub-TOI:

- 20.0000 Coml. Automobile Combinations
- 20.0001 Business Auto
- 20.0002 Garage/Auto Services
- 20.0003 Other
- 20.0004 Truckers
- 23.0000 Fidelity
- 24.0000 Surety
- 26.0001 Coml. Burglary and Theft
- 27.0000 Boiler and Machinery/Equip. Breakdown

Review requirements	Reference	Description of review standards requirements	Check answer	
GENERAL REQUIREMENTS (FOR ALL FILINGS)				
Filing submission	OAR 836-010-0011 As required on SERFF or our website	Required forms are located on SERFF or on our website: http://dfc.oregon.gov/rates-forms/Pages/index.aspx . These must be submitted for your filing for it to be accepted as complete: <ol style="list-style-type: none"> 1. Adoption form for Rates (Form 440-3613) (Required for paper filings only.) 2. Filing description on the General Information tab or a Cover letter under the Supporting Documentation tab. 3. Third party filers' letter of authorization. 4. Certificate of Compliance form signed by authorized person. 5. Supporting information (Form 440-3614) 6. Rates, rating plans and rating systems with actuarial memorandum including the reasons and procedures used with reference to the rating organization rules and rates. 7. For mail filings, two self-addressed stamped envelopes, one in which the division can return approved forms. NOTE: This checklist does not need to be submitted with the filings. However, it may be requested by the reviewer. You may use this document as a tool to help you comply with our requirements.	Yes <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	N/A <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>

Review requirements	Reference	Description of review standards requirements	Check answer
Review	ORS 742.003(1), ORS 737.205	Check all that are submitted in this filing for review: 1. New program. 2. Revision to existing program	Yes N/A <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
Applicability	ORS 737.205(1)	Requested effective date is on or after the filing is received by the Division of Financial Regulation.	Yes No <input type="checkbox"/> <input type="checkbox"/>
	ORS 737.207	Prior approval of commercial liability if average annual rate increase or decrease exceeds 15 percent.	Yes No <input type="checkbox"/> <input type="checkbox"/>
	Bulletin 2003-6	See bulletin for prospective lost cost filing procedures.	

RATE, RULE, RATING PLAN, CLASSIFICATION, AND TERRITORY FILING REQUIREMENTS			
Discrimination	ORS 746.015, OAR 836-081-0010	Rates, rating plans, and rating systems do not discriminate unfairly in the availability of insurance and application of rates.	Yes No <input type="checkbox"/> <input type="checkbox"/>
Rebates	ORS 746.035, ORS 746.045	Are inducements or rebates specified in the policy? (If "yes," explain in the cover letter and identify the location in the rule.)	Yes No <input type="checkbox"/> <input type="checkbox"/>
Ratemaking generally			
Fees, service charges, taxes	ORS 737.310, OAR 836-010-0021	Provide cost-accounting justification on initial filings and subsequent changes.	Yes No <input type="checkbox"/> <input type="checkbox"/>
Loss valuation	ORS 737.310, OAR 836-010-0021	Provide the following: 1. Premium data. 2. Loss and LAE data. 3. Expected loss ratio.	Yes NA <input type="checkbox"/> <input type="checkbox"/>
Investment income	ORS 737.310, OAR 836-010-0021	1. Cash flow method. <i>Or</i>	Yes N/A <input type="checkbox"/> <input type="checkbox"/>
		2. Alternative method showing amount of investment income earned on loss, LAE, and unearned premium reserve to earned premium.	Yes N/A <input type="checkbox"/> <input type="checkbox"/>
Underwriting profit & contingencies	ORS 737.310, OAR 836-010-0021	1. Oregon data for commission and brokerage.	Yes N/A <input type="checkbox"/> <input type="checkbox"/>
		2. Countrywide data for general and other acquisition expenses as reported in the <i>Insurance Expense Exhibit</i> .	Yes N/A <input type="checkbox"/> <input type="checkbox"/>
		3. Oregon data for taxes, licenses, and fees.	Yes N/A <input type="checkbox"/> <input type="checkbox"/>