

Oregon Division of Financial Regulation - Property and Casualty filing tips

- **ACORD:** [ACORD](#) is an advisory organization that has filing authority on behalf of its members. ACORD will file its Personal Lines (auto, RV, motorcycle) and Commercial Lines (auto, truckers, garage) motor vehicle application forms and supplements for approval under [ORS 742.013](#), [ORS 742.458](#), and [ORS 742.003](#), same as any company independent motor vehicle application forms and supplements must be filed. ACORD also files other application materials with us.
- **Applications for Insurance:** Any application or supplemental application that will be used to deny a claim, void or rescind coverage, or cancel a policy must be filed for prior approval under [ORS 742.013](#) and [ORS 742.003\(1\)](#). Motor vehicle applications and supplemental applications are also subject to prior approval filing under [ORS 742.458](#), whether or not they are attached to the policy. Include checklist [440-3615a](#) with all motor vehicle application only form submissions. Oregon allows a P/C application to be made part of the policy by reference, rather than by physical attachment. A court would determine if this did not fully comply with statutes.
- **Arbitration:** Under [ORS 36.600 through ORS 36.740](#), when the policy contains an arbitration provision if claim settlement cannot be reached, and the parties agree to arbitration at the time of the dispute, then arbitration takes place under the laws of Oregon, and is held in the insured's county (or other location if agreed upon by both parties). Oregon law does not support mandatory binding arbitration for insurance contracts.
- **Automobile Coverage:** Although there are a variety of Oregon laws in the Insurance Code related to the subject of concealment, fraud, and material misrepresentation (e.g., [ORS 742.013](#), [ORS 742.208](#), [ORS 742.456](#), [ORS 742.562](#), [ORS 742.702](#)), it is important to note the Oregon motor vehicle laws have specific requirements regarding appropriate notice for cancellation and the denial of claims. See Motor Vehicle Product Standards checklists [#440-3615](#) and [#440-3615a](#) for specific statutory references related to auto policy forms, and guidelines regarding the use of "void" or "rescind" in motor vehicle products.
- **Changes to Business Operations - Withdrawal from Property/Casualty lines of business, products, or programs:** These filings should be made using TOI 33.0 and Transmittal form [440-3637](#). This process is used to facilitate advising the Director regarding proposed marketing plan changes and should be sent before implementing the withdrawal plan. A list of forms, rules, and rates being withdrawn or discontinued will accompany the transmittal and explanatory material. These filings may be sent via SERFF or paper. For SERFF filings, attach the list of withdrawn forms, rules, and rates as a schedule item under Supporting Documentation.

Under [ORS 731.482](#), withdrawal from commercial liability requires prior approval of the director of DCBS. Submission of the [440-3637](#) should not be considered as approval of the withdrawal.

- **Consent to Rate Filings on SERFF:** The SERFF Project Name and Filing Description should only state "Consent to Rate." All documents should be marked **confidential** and there is no need to include product standards checklists or transmittal documents when making a SERFF consent to rate submission.
- **Property & Casualty Form Numbering:** There is no specific statute regarding placement of form numbers on P/C forms; however, under [ORS 742.005\(2\)](#), it is expected the form number (including edition date) will be adequate to distinguish the form from all others used by the insurance company. We usually expect to find the form number in the lower left-hand corner of the document.

Only one form number (including edition date) should be assigned to a given document. Use of any other numbers, other than page numbers, should be explained in the filing description or supporting documentation. All form references throughout a filing need to indicate the form number and edition/version date exactly as it appears on the document (spaces, dots, slashes, parentheses, slashes, etc.).

Any time changes are made to a previously approved form, the revised form should either be given a new number or have a revision/edition date that will distinguish the new version from the prior version of that form.

- **GAP:** Also known as Guaranteed Auto (or Asset) Protection. These filings must be compliant with product standards, especially rate justification (e.g., commission). Use product standards checklist [#440-3616](#) to assure compliance. Contact Jan Vitus if you have any questions. If making a new program submission, you need to file the forms, rules, and rates in one combined submission.
- **Property and Casualty "group" Form Filings:** When submitting a form filing that affects more than one company, all forms listed on the Form Schedule in SERFF (or the PC FFS-1 transmittal if making a paper filing submission), must apply to every one of the companies named on the filing header in SERFF (or the PC TD-1 transmittal if a paper filing) and cover letter. If ANY of the forms will not be used by every company named in the "group" filing, then a separate form filing must be made for the individual companies adopting different forms. For example:
 - **#1.** There are two companies under the same ownership. They have insurer-specific policy forms. The filer wants to make one filing submission and explain in the cover letter or other explanatory material, which company uses which forms. The Form Schedule lists all forms.

In this case, the filer must make two separate filing submissions, one for each insurer. The Form Schedule would only list the forms that apply to the insurer listed on the filing header.

- **#2.** There are five companies under the same ownership. The filer wants to make one program submission for forms, rules, and rates that will be used by all of the companies offering that program. There are forms identified in the cover letter or other explanatory materials, as only applying to certain companies within the "group." The Form Schedule lists all forms being filed.

In this case, the filer could make the "group" submission for the common use forms and make a separate individual filing submission for those forms specific to the named company.

- **Homeowners - 2005 Changes:** There were several changes in the 2005 legislative session to provide greater protection of Homeowners. Division of Financial Regulation Bulletin 2005-4 outlines the specific statutory changes. See ORS 746.600 and ORS 746.686 through .688 for code details.
- **Protections for owners of totaled vehicles:** 2009 legislation protects consumers whose motor vehicles are declared "totaled." See ORS 742.554 through 742.558 for details. An insurer will typically offer a cash settlement when a vehicle is totaled, but consumers often do not understand how their insurer valued the vehicle. The bill requires insurers to provide vehicle owners with a written explanation of how the vehicle value was determined and other information about the total-loss process, allows owners of totaled motor vehicles, after certain conditions are met, to obtain the undisputed amount of the vehicle's value while negotiations continue to settle the claim, and requires insurers who include an appraisal provision in the policy to reimburse their insureds' reasonable appraisal costs when the final appraisal results in a greater valuation than the insurer's final offer.
- **Motorcycle insurance discount:** ORS 742.480 through ORS 742.486 requires insurers offering liability, personal injury protection, or collision coverage to offer a premium discount to the principal operator of a motorcycle who has completed this motorcycle rider education program. Only one motorcycle per principal operator is eligible for the discount and the motorcycle must not be used for business. If an insurance policy covers motorcycles and other vehicles, the premium discount is limited to the motorcycle portions of the policy.
- **Consumer rerating requests based on new credit information:** If an insurer uses a consumer's credit history for rating purposes, current law allows a consumer to request a rerating no more than once a year for any given policy. However, the rerating may result in an increase or decrease in the rate and may not be implemented by the insurer until the policy is renewed. This bill prohibits insurers from increasing a consumer's premium after rerating. It requires insurers to decrease the premium for certain specified policies if credit was used for

rating and the consumer is entitled to a reduced premium. It also requires the insurer to re-rate the consumer within 30 days after receiving the request, effective as of the date the consumer requested the re-rating. ORS 746.661 applies to personal insurance policies issued or renewed on or after January 1, 2010.

- **Large Deductible Workers' Compensation:** Compliance with [OAR 836-042-0070 through OAR 836-042-0090](#) and [OAR 836-054-0201 through OAR 836-054-0210](#) is required. Refer to the OARs for guidance. Large deductible forms and rates cannot be used before approval by the Division of Financial Regulation.
- **Personal Lines Rules and Rates:** Underwriting guidelines should be included with any initial Personal Lines rate submission. Changes should be sent with any subsequent rate and rule filings.
 - **Tier rating** must provide underwriting criteria showing that each tier is mutually exclusive and not unfairly discriminatory.
 - **Must provide support for any change in rate relativity** (e.g., homeowner insurance to value).
 - **Trade secrets:** All rule/rate filing material, including rate relativities developed from a proprietary model, must be filed as a public record under [ORS 737.205](#). However, a rating model using credit history and the model's supporting information are considered a trade secret under [ORS 746.662](#) and may be marked as "confidential."

Other information may be confidential under Oregon's trade secret statutes [ORS 192.410 to 192.505](#). Request the items you want to remain confidential and file these in a separate schedule item for SERFF filing submissions. The reviewer will notify the filer if there are concerns about whether an item can be held confidential.

- **When a company is filing rates or rating plan values based upon competitor information:** The filing must provide either the name of the competitor, or a comparison of the filed values to those of the applicable competitors named in the filing materials, to enable verification of compliance with [ORS 737.310](#). If the rates vary from those of the competitors, provide an explanation for the differences.
- **Must file "service fees" in the rule/rate manual:** For example, installment billing, NSF, cancellation, reinstatement, SR22 (motor vehicle financial responsibility), or other fees related to administrative functions are premium; *and* provide a cost accounting analysis used to develop each fee.
- **When P/C Product Standards Checklists are not required:** If the submission is rules and/or rates only, you may send only the rule/rate pages from the applicable checklist. If the forms being submitted are declarations, schedules, simple endorsements, policy jackets, signature pages, or revised underwriting guidelines, then we do not require the checklists be sent. The content must still comply with Oregon laws. In all other cases, the appropriate product standards must be completed and attached to the Supporting Documentation tab area of SERFF.
- **Schedule Modification/Rating:** Insurance Bulletin INS 82-4 is now obsolete. Under [ORS 737.205](#), you must still file your schedule modification criteria table as part of the rating plan under the Rate/Rule tab in SERFF. Supporting justification for the factors to be used is to be provided under the Supporting Documentation tab in SERFF.
- **Statistical or Other Rate Filing Support (other than for Schedule Rating):** Subject to [ORS 737.310](#)
- **Terrorism:** Refer to [Bulletin INS 2008-1](#). Terrorism exclusions are not allowed on personal lines of insurance or workers' compensation insurance. Travel terrorism exclusion or limitation language must meet the exception guideline for traveling to foreign destinations on the U.S. State Department's "do not travel" or "travel advisory" list.
- **Workers Compensation (WC):** The approved loss costs are effective every January 1st for all authorized insurers. It is only necessary to file when the insurer changes Workers' Compensation rating values such as loss cost multipliers.

Schedule rating is not permitted for Workers Compensation in Oregon.