

**Vermont Department of Banking, Insurance, Securities  
And Health Care Administration**

**Insurance Division Bulletin 160**

**New Property and Casualty Rates and Forms Filing  
Procedures**

**(effective May 15, 2011)**

Property and casualty insurers doing business in Vermont are advised that new rules governing the filing of policy forms, rates and supporting rate information with the Insurance Division will go into effect on May 15, 2011. The new rules are the result of the adoption of Regulation I-2010-3 (“Property & Casualty Insurance Filing Procedures & Reporting Requirements”), which replaces the Department’s existing filing regulation, I-85-1. Regulation I-2010-3 is intended to modernize the rate and form filing process in Vermont, make it easier for the Department to exercise its regulatory authority, and make it easier and less costly for insurance companies to do business in the state.

This bulletin is intended to provide a general overview of Regulation I-2010-3. It does not purport to cover all of the changes that Regulation I-2010-3 makes in the filing transmittal and review process. In order to facilitate a smooth transition to the new regulation and to avoid delays caused by the submission of incomplete filings, insurers are encouraged to review the full text of Regulation I-2010-3, which can be found on the Department’s website, rather than relying on this summary overview.

**1. Required Filing of Bail Bond Forms**

Regulation I-2010-3 clarifies the status of policy forms used in bail transactions subject to 13 V.S.A. Chapter 229 (including bail bonds, indemnity agreements and agreements relating to the taking and holding of collateral). The regulation makes it clear that these forms must be filed with and approved by the Department prior to being used in Vermont. *See* Section 4(A)(7).

**2. Rate and Form Filing Submission Requirements**

Regulation I-2010-3 makes a number of important changes in the filing submission process:

- A. Beginning May 15, 2011, filers will be required to certify that the filing complies with all applicable Vermont laws and regulations. Filings submitted without this certification will be rejected. *See* Section 6(G)(1). Commercial filers who complete the compliance certification and checklist that the Department has required since February 1, 2011 for most commercial lines will be deemed to have

satisfied this requirement. The commercial certification and compliance checklist can be found on the homepage of the Rates & Forms Section.

- B. Filers will also be required to state whether any of the filing's provisions have been previously objected to in Vermont and to declare, on information and belief, whether the filing contains any unusual or controversial provisions. *See* Section 6(G)(2).
- C. Filers need no longer submit Vermont forms F-103 ("Reference Form Filing Summary Sheet") and F-104 ("Reference Rate or Rule Filing Summary Sheet"). The information previously captured by these forms will now be provided in the Filing Description Section on SERFF. Please note that a clear explanation of how the filing fee was calculated must be provided in the "Fee Calculation Explanation" free text box under the Filing Fees tab.
- D. If the filing is a rider or endorsement, the Filing Description should include the state tracking number and approval date of the base policy and describe the effect of the filing on the base policy. *See* Section 6(G)(2)(c).
- E. If the filing revises or replaces a previous submission, the filer shall provide the state tracking number and approval date of the earlier form, a side-by-side comparison in strikeout and underline format showing the changes to the form, and a description of the intent and effect of the changes. *See* Section 7(K).
- F. If a previously-filed Vermont amendatory endorsement will be used with the submitted form, this fact should be noted in the Filing Description section and the filing should include a copy of the amendatory endorsement along with its state tracking number and approval date. *See* Section 7(I). This requirement is intended to help speed the processing of filings that rely on an amendatory endorsement to achieve compliance with Vermont law.
- G. Section 8(E) of the new regulation clarifies the level of actuarial detail that must be submitted in order to support rate and loss cost filings.

### **3. Filing Amendments**

Filings may be amended at any time prior to the entry on SERFF of a final disposition (i.e., prior to being approved or to the entry of a final disapproval). A new filing is required if a filer wishes to amend the filing after entry of a final disposition. *See* Section 5(G). Please note that effective date changes are not considered filing amendments and may be submitted at any time.

### **4. Responses to Objection Letters**

Responses to filing objection letters must include a cover letter identifying the changes made to the original submission, revised documents with all changes highlighted or underlined,

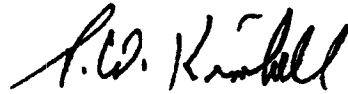
and revised documents incorporating all changes without highlights. If a filer does not respond to a filing objection letter within ninety days, the filing will be closed and its SERFF status will be changed to “disapproval – final.” *See* Section 5(H).

#### 5. **Public Record Status of Filings**

Unless a filer has requested and received trade secret status in accordance with the procedures outlined in Insurance Division Bulletin 149 (“Confidentiality Requests in Rate and Form Filings”), all filings are considered to be public records from the moment of receipt, except claims-made and assigned risk market rate and loss cost filings, which become public upon approval.

Inquiries concerning this bulletin should be directed to Phil Keller, Director of Insurance Rates and Forms, at (802) 828-1464 or to Shelley Stuart, Rates and Forms Program Technician, at (802) 828-2471.

Dated at Montpelier, Vermont this 14<sup>th</sup> day of April, 2011.



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Stephen Kimbell, Commissioner