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Property & Casualty

STATE OF MARYLAND
MARYLAND INSURANCE ADMINISTRATION
525 St. Paul Place, Baltimore, Maryland 21202-2272

To: Select Property and Casualty Insurers

**Re: Homeowners Insurance Premium Request
Private Passenger Automobile Insurance Premium Request**

Date: July 12, 2004

Bulletin: Property and Casualty Bulletin 04-13

Pursuant to §19-112 of the Insurance Article, the Maryland Insurance Administration (“MIA”) hereby requests each property and casualty insurer to provide information related to homeowners insurance premiums and private passenger automobile (“PPA”) insurance premiums. This information is necessary for the MIA to publish premium comparison guides for consumers.

Submit annual premiums effective as of August 1, 2004, based on the scenarios shown on the enclosed “Homeowners Premium Scenarios” and “PPA Premium Scenarios” for each designated zip code/county.

Provide the requested premium information in the Excel spreadsheet formats shown on the enclosed “Homeowners Excel Format” and “PPA Excel Format”.

In order to expedite this process, email transmission is mandatory. No paper documents will be accepted. If unable to email, please send the information on a CD or diskette to:

Mr. Linas Glemza
Property & Casualty Unit
Maryland Insurance Administration
525 St Paul Place
Baltimore, MD 21202

If you have any questions, please contact Cathy Ruppel, Insurance Analyst, by phone at (410) 468-2316, by fax at (410) 468-2306, or by email at cruppel@mdinsurance.state.md.us. Or, contact Linas Glemza at (410) 468-2044, or by email at lglemza@mdinsurance.state.md.us.

Please provide this information no later than August 1, 2004.

Alfred W. Redmer, Jr.
Insurance Commissioner

Enclosures: Homeowners Premium Scenarios
Homeowners Excel Format
PPA Premium Scenarios
PPA Excel Format

Homeowners Excel Format

All data must start in cell A2 of the spreadsheet. PLEASE use headers. Below lists the columns in which the data must be placed. The placement of data must conform to this or the submission will be returned. The data must be placed in the following columns:

<u>Column</u>	<u>Description</u>
(A)	NAIC Group Code
(B)	NAIC Company Code
(C)	Effective Date of rates (mm/dd/yyyy) for New Business
(D)	NAIC Company Name (NOT NAIC GROUP NAME)
(E)	LEAVE BLANK
(F)	Category of Risk (can vary by scenario). See page 1 of the <i>Homeowners Premium Scenarios</i> . 1 - if Preferred/Better than average risk 2 - if Standard/Average risk 3 - if Non-Standard/Below average risk
(G)	Scenario Code 1 through 6 as defined in the <i>Homeowners Premium Scenarios</i> .

For Each scenario code:

(H)	Annual Premium for zip code 21401
(I)	Annual Premium for zip code 21218
(J)	Annual Premium for zip code 21030
(K)	Annual Premium for zip code 21157
(L)	Annual Premium for zip code 21701
(M)	Annual Premium for zip code 21014
(N)	Annual Premium for zip code 20855
(O)	Annual Premium for zip code 20769
(P)	Annual Premium for zip code 20650
(Q)	Annual Premium for zip code 21801

PPA Excel Format

All data must start in cell A2 of the spreadsheet. PLEASE use headers. Below lists the columns in which the data must be placed. The placement of data must conform to this or the submission will be returned. The data must be placed in the following columns:

<u>Column</u>	<u>Description</u>
(A)	NAIC Group Code
(B)	NAIC Company Code
(C)	Effective Date of rates (mm/dd/yyyy) for New Business
(D)	NAIC Company Name (NOT NAIC GROUP NAME)
(E)	Insert an asterisk (*) if credit history is used in rating, otherwise, leave blank.
(F)	Category of Risk (can vary by scenario). See page 1 of the <i>PPA Premium Scenarios</i> . 1 - if Preferred/Better than average risk 2 - if Standard/Average risk 3 - if Non-Standard/Below average risk
(G)	Scenario Code (1 through 6) As defined in the <i>PPA Premium Scenarios</i> .

For each scenario code:

(H)	Annual Premium for zip code 21401
(I)	Annual Premium for zip code 21218
(J)	Annual Premium for zip code 21030
(K)	Annual Premium for zip code 21157
(L)	Annual Premium for zip code 21701
(M)	Annual Premium for zip code 21014
(N)	Annual Premium for zip code 20855
(O)	Annual Premium for zip code 20769
(P)	Annual Premium for zip code 20650
(Q)	Annual Premium for zip code 21801

DATA and FILE Requirements

Requirements:

- 1) ALL ENTRIES MUST IN NUMERIC FORMAT, except for Column (D) and (E).
- 2) Fill Columns (H) through (Q) with N/A if rates are not available for the scenario.
- 3) For the Premiums, use numeric format (zero decimal places). Round off to whole numbers.
- 4) The Homeowners and Auto submissions MUST be in separate files.
- 5) Filing naming convention
 - a) File name should contain NAIC group code (or NAIC Company code if group code is zero). Using company name is an acceptable alternative.
 - b) The file name must also contain the letters "PPA" or "HO", whichever applies.
 - c) There are no other specific requirements for naming convention.
- 6) Spreadsheet detail requirements:
 - a) Arial font with font size of 9. Use default color of black;
 - b) Do not use 1000 separator (i.e. comma);
 - c) Premiums must be rounded to ZERO decimal places;
 - d) Do not use currency format;
 - e) Except for Company name and the asterisk for credit use, all other cells must be in numeric format. Do not use all caps for company name;
 - f) Do not submit formulas;
 - g) Row height is 12.75 (Excel default). Company name column width MUST be set to 34.14. Company name must fit within this setting. There are no specific width requirements for the remaining columns;
 - h) Do not activate "Wrap Text";
 - i) Do not use borders or colored/highlighted cells;

For any other formatting issue, use the Excel default parameters.

- 7) We are now allowing companies to submit disclaimers to their submissions. Due to space limitations, please keep it brief. Place disclaimers on the same spreadsheet page as the premiums. Do not place any symbols next to premiums to explain a disclaimer.

8) On a separate spreadsheet, provide the following information:

Column A - Contact Name

Column B - Company Name

Column C - Company Address 1 (can also be Department name)

Column D - Company Address 2

Column E - City/State/Zip

Column F - Phone number

Column G - Fax number

Column H - Email address of contact name. **DO NOT SUBMIT THIS**
In HTML format. Text only.

Column I - An 800/888/866 (toll free) that your company uses for customer/consumer inquiries.

Column J - website address for customer/consumer inquiries. **DO NOT SUBMIT** in HTML format. Text only.

For column I, if your company does not have a phone number for this purpose, please use the phrase "See Yellow Pages".

Homeowners Premium Scenarios

Provide premiums, **effective August 1, 2004**, based on the attached scenarios and instructions for each designated zipcode (county, city/town) **by August 1, 2004**. Provide the requested information in the Excel spreadsheet format as shown on the enclosed “Homeowners Excel Format”.

Provide annual premiums for the insurer’s rating territory that most closely corresponds to the county/city or to the zip code designated for that county/city. Provide the total policy premium for each rating scenario for the noted geographic locations.

Provide coverage under Special Form HO-3. Dollar values indicated in the scenarios are “insured for” values. If Special Form HO-3 is not offered by the company, than report rates for the company’s most comparable coverage. Explain the details of the substitution. Attach an addendum if necessary.

If your company has multiple tiers, determine tier placement by the information provided in the rating scenarios. If a scenario does not provide sufficient information for tier placement, place the subject of the scenario in the middle or standard tier.

Calculate the homeowners, condominium, and renters premiums without applying any discounts or surcharges.

Water & Sewer Endorsement: Provide a rate for coverage for water damage pursuant to §19-201.

Please round off to whole dollars.

Scenarios 1 – 4: Homeowners Policy Scenarios

Rate all Scenarios using 1 to 2 Family Units

Zip Code / County	Scenario 1	Scenario 2	Scenario 3	Scenario 4
21401 - Anne Arundel	Home Value - 160,000 Frame Best Protection Class Replacement Cost - Contents \$500 - Deductible Water & Sewer Endorsement \$100,000 Liability	Home Value - 250,000 Frame Best Protection Class Replacement Cost - Contents \$500 - Deductible Water & Sewer Endorsement \$100,000 Liability	Home Value - 250,000 Masonry Best Protection Class Replacement Cost - Contents \$1,000 - Deductible Water & Sewer Endorsement \$300,000 Liability	Home Value – 375,000 Frame Best Protection Class Replacement Cost - Contents \$1,000 – Deductible Water & Sewer Endorsement \$300,000 Liability

Zip Code / County	Scenario 1	Scenario 2	Scenario 3	Scenario 4
21218 - Baltimore City	Home Value - 55,000 Frame Best Protection Class Replacement Cost - Contents \$500 - Deductible Water & Sewer Endorsement \$100,000 Liability	Home Value - 100,000 Frame Best Protection Class Replacement Cost - Contents \$500 - Deductible Water & Sewer Endorsement \$100,000 Liability	Home Value - 100,000 Masonry Best Protection Class Replacement Cost - Contents \$1,000 - Deductible Water & Sewer Endorsement \$300,000 Liability	Home Value - 200,000 Frame Best Protection Class Replacement Cost - Contents \$1,000 - Deductible Water & Sewer Endorsement \$300,000 Liability
21030- Baltimore Co	Home Value - 160,000 Frame Best Protection Class Replacement Cost - Contents \$500 - Deductible Water & Sewer Endorsement \$100,000 Liability	Home Value - 250,000 Frame Best Protection Class Replacement Cost - Contents \$500 - Deductible Water & Sewer Endorsement \$100,000 Liability	Home Value - 250,000 Masonry Best Protection Class Replacement Cost - Contents \$1,000 - Deductible Water & Sewer Endorsement \$300,000 Liability	Home Value - 375,000 Frame Best Protection Class Replacement Cost - Contents \$1,000 - Deductible Water & Sewer Endorsement \$300,000 Liability
21157 - Carroll	Home Value - 120,000 Frame Best Protection Class Replacement Cost - Contents \$500 - Deductible Water & Sewer Endorsement \$100,000 Liability	Home Value - 200,000 Frame Best Protection Class Replacement Cost - Contents \$500 - Deductible Water & Sewer Endorsement \$100,000 Liability	Home Value - 200,000 Masonry Best Protection Class Replacement Cost - Contents \$1,000 - Deductible Water & Sewer Endorsement \$300,000 Liability	Home Value - 350,000 Frame Best Protection Class Replacement Cost - Contents \$1,000 - Deductible Water & Sewer Endorsement \$300,000 Liability
21701 - Frederick	Home Value - 118,000 Frame Best Protection Class Replacement Cost - Contents \$500 - Deductible Water & Sewer Endorsement \$100,000 Liability	Home Value - 200,000 Frame Best Protection Class Replacement Cost - Contents \$500 - Deductible Water & Sewer Endorsement \$100,000 Liability	Home Value - 200,000 Masonry Best Protection Class Replacement Cost - Contents \$1,000 - Deductible Water & Sewer Endorsement \$300,000 Liability	Home Value - 300,000 Frame Best Protection Class Replacement Cost - Contents \$1,000 - Deductible Water & Sewer Endorsement \$300,000 Liability
21014 - Harford	Home Value - 130,000 Frame Best Protection Class Replacement Cost - Contents \$500 - Deductible Water & Sewer Endorsement \$100,000 Liability	Home Value - 225,000 Frame Best Protection Class Replacement Cost - Contents \$500 - Deductible Water & Sewer Endorsement \$100,000 Liability	Home Value - 225,000 Masonry Best Protection Class Replacement Cost - Contents \$1,000 - Deductible Water & Sewer Endorsement \$300,000 Liability	Home Value - 325,000 Frame Best Protection Class Replacement Cost - Contents \$1,000 - Deductible Water & Sewer Endorsement \$300,000 Liability

Zip Code / County	Scenario 1	Scenario 2	Scenario 3	Scenario 4
20855 - Montgomery	Home Value - 225,000 Frame Best Protection Class Replacement Cost - Contents \$500 - Deductible Water & Sewer Endorsement \$100,000 Liability	Home Value - 375,000 Frame Best Protection Class Replacement Cost - Contents \$500 - Deductible Water & Sewer Endorsement \$100,000 Liability	Home Value - 375,000 Masonry Best Protection Class Replacement Cost - Contents \$1,000 - Deductible Water & Sewer Endorsement \$300,000 Liability	Home Value - 450,000 Frame Best Protection Class Replacement Cost - Contents \$1,000 - Deductible Water & Sewer Endorsement \$300,000 Liability
20769 - Prince George's	Home Value - 173,000 Frame Best Protection Class Replacement Cost - Contents \$500 - Deductible Water & Sewer Endorsement \$100,000 Liability	Home Value - 275,000 Frame Best Protection Class Replacement Cost - Contents \$500 - Deductible Water & Sewer Endorsement \$100,000 Liability	Home Value - 275,000 Masonry Best Protection Class Replacement Cost - Contents \$1,000 - Deductible Water & Sewer Endorsement \$300,000 Liability	Home Value - 400,000 Frame Best Protection Class Replacement Cost - Contents \$1,000 - Deductible Water & Sewer Endorsement \$300,000 Liability
20650 St. Mary's	Home Value - 118,000 Frame Best Protection Class Replacement Cost - Contents \$500 - Deductible Water & Sewer Endorsement \$100,000 Liability	Home Value - 200,000 Frame Best Protection Class Replacement Cost - Contents \$500 - Deductible Water & Sewer Endorsement \$100,000 Liability	Home Value - 200,000 Masonry Best Protection Class Replacement Cost - Contents \$1,000 - Deductible Water & Sewer Endorsement \$300,000 Liability	Home Value - 350,000 Frame Best Protection Class Replacement Cost - Contents \$1,000 - Deductible Water & Sewer Endorsement \$300,000 Liability
21801 Wicomico	Home Value - 75,000 Frame Best Protection Class Replacement Cost - Contents \$500 - Deductible Water & Sewer Endorsement \$100,000 Liability	Home Value - 150,000 Frame Best Protection Class Replacement Cost - Contents \$500 - Deductible Water & Sewer Endorsement \$100,000 Liability	Home Value - 150,000 Masonry Best Protection Class Replacement Cost - Contents \$1,000 - Deductible Water & Sewer Endorsement \$300,000 Liability	Home Value - 250,000 Frame Best Protection Class Replacement Cost - Contents \$1,000 - Deductible Water & Sewer Endorsement \$300,000 Liability

Scenario 5: Condominium Policy

Rate all Scenarios using Frame Construction and 1 to 4 Family Units

Zip Code / County	Scenario	Zip Code / County	Scenario	Zip Code / County	Scenario
21401 - Anne Arundel	Replacement Cost for Coverage C Coverage C Amount = \$50,000 Best Protection Class \$500 - Deductible \$100,000 Liability Loss Assessment Coverage	21701 - Frederick	Replacement Cost for Coverage C Coverage C Amount = \$75,000 Best Protection Class \$500 - Deductible \$300,000 Liability Loss Assessment Coverage	20769 - Prince George's	Replacement Cost for Coverage C Coverage C Amount = \$75,000 Best Protection Class \$500 - Deductible \$300,000 Liability Loss Assessment Coverage
21218 - Baltimore City	Replacement Cost for Coverage C Coverage C Amount = \$50,000 Best Protection Class \$500 - Deductible \$100,000 Liability Loss Assessment Coverage	21014 - Harford	Replacement Cost for Coverage C Coverage C Amount = \$75,000 Best Protection Class \$500 - Deductible \$300,000 Liability Loss Assessment Coverage	20650 St. Mary's	Replacement Cost for Coverage C Coverage C Amount = \$50,000 Best Protection Class \$500 - Deductible \$100,000 Liability Loss Assessment Coverage
21030- Baltimore County	Replacement Cost for Coverage C Coverage C Amount = \$50,000 Best Protection Class \$500 - Deductible \$100,000 Liability Loss Assessment Coverage	20855 - Montgomery	Replacement Cost for Coverage C Coverage C Amount = \$75,000 Best Protection Class \$500 - Deductible \$300,000 Liability Loss Assessment Coverage	21801 Wicomico	Replacement Cost for Coverage C Coverage C Amount = \$50,000 Best Protection Class \$500 - Deductible \$100,000 Liability Loss Assessment Coverage
21157 - Carroll	Replacement Cost for Coverage C Coverage C Amount = \$50,000 Best Protection Class \$500 - Deductible \$100,000 Liability Loss Assessment Coverage				

Scenario 6: Renters Policy

Rate all Scenarios using Frame Construction and 1 to 4 Family Units

Zip Code / County	Scenario	Zip Code / County	Scenario	Zip Code / County	Scenario
21401 - Anne Arundel	Replacement Cost for Coverage C Coverage C Amount = \$50,000 Best Protection Class \$500 - Deductible \$100,000 Liability	21701 - Frederick	Replacement Cost for Coverage C Coverage C Amount = \$75,000 Best Protection Class \$500 - Deductible \$300,000 Liability	20769 - Prince George's	Replacement Cost for Coverage C Coverage C Amount = \$75,000 Best Protection Class \$500 - Deductible \$300,000 Liability
21218 - Baltimore City	Replacement Cost for Coverage C Coverage C Amount = \$50,000 Best Protection Class \$500 - Deductible \$100,000 Liability	21014 - Harford	Replacement Cost for Coverage C Coverage C Amount = \$75,000 Best Protection Class \$500 - Deductible \$300,000 Liability	20650 St. Mary's	Replacement Cost for Coverage C Coverage C Amount = \$50,000 Best Protection Class \$500 - Deductible \$100,000 Liability
21030- Baltimore County	Replacement Cost for Coverage C Coverage C Amount = \$50,000 Best Protection Class \$500 - Deductible \$100,000 Liability	20855 - Montgomery	Replacement Cost for Coverage C Coverage C Amount = \$75,000 Best Protection Class \$500 - Deductible \$300,000 Liability	21801 Wicomico	Replacement Cost for Coverage C Coverage C Amount = \$50,000 Best Protection Class \$500 - Deductible \$100,000 Liability
21157 - Carroll	Replacement Cost for Coverage C Coverage C Amount = \$50,000 Best Protection Class \$500 - Deductible \$100,000 Liability				

PPA Premium Scenarios

Provide premiums, **effective August 1, 2004**, based on the below listed scenarios and instructions for each designated zip code (county, city/town) **by August 1, 2004**. Provide the requested information in the excel format attached.

Provide annual premiums for the insurer's rating territory that most closely corresponds to the town or city limits or to the zip code designated for that county.

Counties for which forms are required; Designated cities or towns and Zip Codes:

County	City/Town	Zip Code
Anne Arundel	Annapolis	21401
Not Applicable	Baltimore City	21218
Baltimore	Cockeysville	21030
Carroll	Westminster	21157
Frederick	Frederick (City)	21701
Harford	Belair	21014
Montgomery	Rockville	20855
Prince George's	Glenn Dale	20769
St. Mary's	Leonardtown	20650
Wicomico	Salisbury	21801

If your company has multiple tiers, determine tier placement by the information provided in the rating scenarios. If a scenario does not provide sufficient information for tier placement, place the subject of the scenario in the middle or standard tier.

The following abbreviations are used in this form:

- "COMP" means comprehensive or other than collision coverage;
- "PIP" means personal injury protection; and
- "UM" means uninsured motorist coverage.
- "COLL" means collision coverage

Scenarios: For each scenario listed, provide the total annual policy premium (rounded off to whole dollars) in the format shown on the enclosed "PPA Excel Format". The scenarios use ISO symbols. If you do not use ISO symbols, use comparable symbols as appropriate. **Otherwise, do not modify the scenarios.**

Scenario 1: Young Single Male	Age 23 Drives a 2002 Kia Sportage, ISO symbol 15 If credit is used to determine premium, then calculate as if there was no credit history. Drives 10 miles to work each day. Drives 15,000 miles annually. Had an at-fault accident last year that resulted in \$1,500 worth of damages to the other vehicle. Liability \$20,000/\$40,000/\$15,000 Full PIP \$2,500 UM \$20,000/\$40,000/\$15,000 COMP \$100 deductible COLL \$250 deductible
Scenario 2: Young Single Female	Age 23 Drives a 2002 Jeep Liberty Limited, ISO symbol 14 If credit is used to determine premium, then calculate as if there was no credit history. Drives 8 miles to work each day. Drives 12,000 miles annually. No accidents or violations in past 3 years. Liability \$20,000/\$40,000/\$15,000 Full PIP \$2,500 UM \$20,000/\$40,000/\$15,000 COMP \$100 deductible COLL \$250 deductible
Scenario 3: Single Male	Age 30 Drives a 2003 Chevrolet Silverado C1500, ISO symbol 14 If credit is used to determine premium, then calculate as if the driver has the best credit history. Drives 15 miles to work each day. Drives 17,000 miles annually. No accidents or violations in past 3 years. Liability \$50,000/\$100,000/\$25,000 Limited PIP \$2,500

	UM \$50,000/\$100,000/\$25,000 COMP \$100 deductible COLL \$250 deductible
Scenario 4: Senior Citizen	Age 65 Drives a 2000 Buick Regal, ISO symbol 10 If credit is used to determine premium, then calculate as if the driver has the best credit history. Has no accidents or violations in the last 3 years. Retired—pleasure use only. Liability \$100,000/\$300,000/\$50,000 Limited PIP \$2,500 UM \$100,000/\$300,000/\$50,000 COMP \$100 deductible COLL \$250 deductible
Scenario 5: Family Rate	Premiums given should include coverages for 2 vehicles and 3 drivers, with a multi-car discount and a companion homeowners discount, where available. Married Male Age 45 Drives a 2000 Honda Accord, ISO symbol 14 If credit is used to determine premium, then calculate as if the driver has the best credit history. Drives 20 miles to work each day. Drives 20,000 miles annually. No accidents or violations in past 3 years. Liability \$100,000/\$300,000/\$50,000 Limited PIP \$2,500 UM \$100,000/\$300,000/\$50,000 COMP \$100 deductible COLL \$250 deductible Married Female Age 45 Drives a 2000 Dodge Caravan, ISO symbol 8 If credit is used to determine premium, then calculate as if the driver has the best credit history. Drives 5 miles to work each day. Drives 12,000 miles annually. No accidents or violations in past 3 years. Liability \$100,000/\$300,000/\$50,000 Limited PIP \$2,500 UM \$100,000/\$300,000/\$50,000 COMP \$100 deductible COLL \$250 deductible Young Single Male Age 17 Does not have his own—he is an occasional driver of the 2000 Dodge. Has 1 year of driving experience. Has 1 speeding violation—9 mph over limit. Took a driver training course. Has a B average in school. Liability \$100,000/\$300,000/\$50,000 Limited PIP \$2,500 UM \$100,000/\$300,000/\$50,000
Scenario 6: Single Female	Age 35 Drives a 2002 Toyota Camry, with dual front air bags. ISO symbol 13 If credit is used to determine premium, then calculate as if the driver has the best credit history. Drives 15 miles to work each day and 10,000 miles annually. No accidents or violations in the past 3 years. Liability \$100,000/\$300,000/\$50,000 Limited PIP \$2,500 UM \$100,000/\$300,000/\$50,000 COMP \$100 deductible COLL \$250 deductible