

**Government of the District of Columbia**  
**Department of Insurance Securities and Banking**



**Property & Casualty Rate/Rule Filing Requirements**

1. Cover Letter on Company Letterhead (includes)
  - A. Unique Company Filing Number (assigned by Company)
  - B. Proposed Effective Date
  - C. Purpose of Filing
  - D. Indication if Initial Filing
  - E. Indication if no DC Policyholders
  - F. Overall Premium Impact of Filing on DC Policyholders
  - G. Signature
2. Certificate of Authority to File (*third party preparation*)
3. Actuarial Memorandum (includes)
  - A. Indicated Rate Change and Proposed Rate Change
  - B. For Each Proposed New Rule - Citation of New Rule, Percentage of DC Policyholders Affected by New Rule, and Purpose of New Rule
  - C. For Each Proposed Revised Rule – Citation of Revised Rule, Citation of Currently Approved Rule, and Purpose of Revised Rule
  - D. Overall Premium Impact of Filing on DC Policyholders
4. District of Columbia and Countrywide Experience for the Last 5 Years
  - A. Written Premium
  - B. Number of Policyholders
  - C. Historical Rate Changes
5. District of Columbia Loss Ratio Analysis for the Past 3 Years (*Include Countrywide Loss Ratio Analysis, if applicable*)
  - A. Evaluation Period (*Accident Year, Policy Year, etc.*)
  - B. Earned Premium
  - C. On-Level Premium
  - D. Losses (*include ALAE*)
  - E. Loss Trend
  - F. Loss Development Factors
  - G. Ultimate Claims
  - H. Loss Ratio
  - I. Selected Loss Ratio
  - J. Permissible Loss Ratio (*includes*)
    - i. Expenses
    - ii. Profit & Contingency Provision
  - K. Number of Claims
  - L. Claim Amount
  - M. Credibility Analysis (*includes*)
    - i. DC Credibility
    - ii. Countrywide Credibility
    - iii. Complimentary Credibility
  - N. Determination of Overall Rate Change
6. Loss Cost Multiplier Calculation (*if using loss costs*)

Must Choose One of the Following:

  - A. Without Expense Constant – Must Attach Completed Form ***DISB/LCMwoEC***
  - B. With Expense Constant – Must Attach Completed Form ***DISB/LCMwEC***

Insurer Name: \_\_\_\_\_  
NAIC Number: \_\_\_\_\_

Date: \_\_\_\_\_

**District of Columbia**  
**Calculation of Company Loss Cost Multiplier**  
***Without Expense Constant***  
**To Accompany Adoption of Rating Organization Prospective Loss Costs**

1. Line, Subline, Coverage, Territory, Class, etc. combination to which this page applies:

\_\_\_\_\_

2. Loss Cost Modification:

A. The insurer hereby files to adopt the prospective loss costs in the captioned reference filing: (CHECK ONE)

☐ without modification (factor = 1.000).

☐ with the following modification factor (Cite the nature and percent modification, supporting data, and the NUMERIC DERIVATION of the modification.):

\_\_\_\_\_  
\_\_\_\_\_

B. Loss Cost Modifier Expressed as a Factor:

\_\_\_\_\_

3. Development of Expected Loss Ratio (Attach exhibit detailing expense data and/or other supporting information.):

	Selected Provisions %
A. Commission and Brokerage Expense (+)	_____
B. Other Acquisition Expense (+)	_____
C. General Expense (+)	_____
D. Taxes, Licenses, and Fees (+)	_____
E. Underwriting Profit and Contingencies (+)	_____
F. Investment Income Offset (-)	_____
G. Other (explain) (+)	_____
H. TOTAL	_____

4. Expected Loss Ratio (ELR):

A. ELR ( $100\% - 3H$ ) =

\_\_\_\_\_

B. ELR in decimal form =

\_\_\_\_\_

5. Company Calculated Loss Cost Multiplier ( $2B / 4B$ ):

\_\_\_\_\_

6. Company Selected Loss Cost Multiplier:

\_\_\_\_\_

(If different than 5 above, then attach supporting documentation, rationale, and the numeric derivation of the Selected Loss Cost Multiplier):

\_\_\_\_\_  
\_\_\_\_\_

7. Rate Level Change for the Coverage to Which this Form Applies:

A. Change in Loss Cost Expressed as a Factor =

\_\_\_\_\_

B. Change in Multiplier Expressed as a Factor =

\_\_\_\_\_

C. Overall Rate Change  $[(7A \times 7B) - 1] \times 100 =$

\_\_\_\_\_

Insurer Name: \_\_\_\_\_  
NAIC Number: \_\_\_\_\_

Date: \_\_\_\_\_

**District of Columbia**  
**Calculation of Company Loss Cost Multiplier With Expense Constant**  
**To Accompany Adoption of Rating Organization Prospective Loss Costs**

1. Line, Subline, Coverage, Territory, Class, etc. combination to which this page applies:

\_\_\_\_\_

2. Loss Cost Modifier:

A. The insurer hereby files to adopt the prospective loss costs in the captioned reference filing:

☐ without modification (factor = 1.000).

☐ with the following modification factor (Attach supporting documentation, rationale, and NUMERIC DERIVATION of the Loss Cost Modifier).

B. Loss Cost Modifier Expressed as a Factor:

\_\_\_\_\_

3. Development of Expected Loss Ratio (Attach exhibit detailing expense data and/or other supporting information):

	Overall	Variable	Fixed
A. Commission and Brokerage Expense (+)			
B. Other Acquisition Expense (+)			
C. General Expense (+)			
D. Taxes, Licenses, and Fees (+)			
E. Underwriting Profit and Contingencies (+)			
F. Investment Income Offset(-)			
G. Other (explain) (+)			
H. TOTAL			

4. Expected Loss Ratio (ELR):

A. ELR (100% - Overall 3H) in decimal form =

B. Variable Expected Loss Ratio (VELR) (100% - Variable 3H) in decimal form =

\_\_\_\_\_

\_\_\_\_\_

5. Average Underlying Loss Cost:

\_\_\_\_\_

6. Expense Constant:

A. Calculated Expense Constant:  $[(1.000 / 4A) - (1.000 / 4B)] \times \text{Average Underlying Loss Cost} =$

B. Selected Expense Constant: (If different than 6A, then attach supporting documentation, rationale, and NUMERIC JUSTIFICATION) =

C. Selected Expense Constant as a Percentage of the Average Underlying Loss Cost Expressed as a factor =  $(6B / \text{Average Underlying Loss Cost}) + 1.000 =$

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

7. Variable Loss Cost Multiplier:

A. Calculated Variable Loss Cost Multiplier:  $(2B / 4B) =$

B. Selected Variable Loss Cost Multiplier (If different than 7A, then attach supporting documentation, rationale, and NUMERIC JUSTIFICATION) =

\_\_\_\_\_

\_\_\_\_\_

8. Rate Level Change for the Coverage to Which this Form Applies:

	Current	Proposed
A. Average Underlying Loss Cost		
B. Variable Loss Cost Multiplier		
C. Expense Constant		
D. Average Underlying Rate $(7A \times 7B) + 7C$		

9. Overall Percentage Rate Level Change  $[(\text{Proposed } 9D / \text{Current } 9D) - 1] \times 100:$

\_\_\_\_\_