

Louisiana Insurers' Conference

**ANNUAL LOUISIANA
INSURANCE COMPLIANCE
SEMINAR & LEGISLATIVE REVIEW**

August 5-7, 2015
Renaissance Hotel | Baton Rouge, LA



COMPLIANCE CONNECTIONS

Statutes, Guidelines and Other Light Reading...

Your Connection to Louisiana's Rate and Rule Filing Method

Charles B. Hansberry, III Esq.

Asst. Deputy Commissioner, Property and Casualty

August 6, 2015



STATUTES





STATUTORY AUTHORITY FOR REVIEW AND APPROVAL

- La. R.S. 22:1451 – Commissioner shall have “exclusive” duty to accept, review and approve any application for rates or rate changes for all lines of property and casualty (P&C) insurance.
- Scope of rate regulation extends to all P&C lines except:
 - Reinsurance
 - Marine
 - Aircraft and hull
- Mission of the Office of Property and Casualty is outlined in La. R.S. 36:688.



STATUTORY AUTHORITY FOR REVIEW AND APPROVAL

- Purpose of rate regulation
 - Promote public welfare by ensuring that proposed rates are not excessive, inadequate or unfairly discriminatory.
- Louisiana Revised Statutes
 - La. R.S. 22:1451 – 22:1488 (Subpart O: Rate Making Procedures and Organizations)

GUIDELINES





GUIDELINES/RESOURCES

- LDI Bulletins, Regulations and Directives (LDI website)
- LDI Rate and Rule Filing Handbook (LDI website)
- LDI Product Filing Matrix (LDI website)
- LDI Office of Property and Casualty staff

FREQUENTLY SUPPLIED RESPONSES (FSR)





FREQUENTLY SUPPLIED RESPONSES

- There are no filing fees for rate and rule filings.
- Louisiana is a prior approval state. Staff has, by statute, a forty-five (45) day period to review all rate and rule filings.
- If a filing is reviewed prior to the expiration of the forty-five (45) day period and a disposition has been issued, the filing entity can request an effective date of “upon approval” or an effective date earlier than the date initially proposed in the filing.



FREQUENTLY SUPPLIED RESPONSES

- “Me Too” filings are not recognized in Louisiana.
- A company’s Certificate of Authority must denote the lines of coverage that a company is authorized to license/sell/write an insurance product.
- Consent to Rate filings must reflect a premium that is generated from rates that are in excess of approved manual rates.



FILING ISSUES/REMINDERS

- Proprietary and confidential data contained within a filing should be clearly marked. An entire rate/rule filing cannot be deemed confidential.
- Exceptions – Credit models, catastrophe models, other proprietary models
- Verify lines of coverage on company's Certificate of Authority prior to filing the rates and rules for a new program. A company's Certificate of Authority must be approved before the LDI can act upon any rate/rule filings.

FILING AND REVIEW PROCESS





2015 LEGISLATION

- House Concurrent Resolution (HCR) 208
 - Makes a request of the Commissioner of Insurance to issue a regulation that requires insurers to disclose whether claims not exceeding a policy's deductible are considered when determining rates or are considered in the context of renewing a policy

QUESTIONS?





OPC RATING STAFF

- Jaclyn Blackwell – All Vehicle and Other Liability (Umbrella/Excess)
- Constance Cannon – Commercial Package Programs and Medical Malpractice
- Darlene Chachere – Commercial Property (Fire and Allied), Fidelity, Surety, Burglary and Theft/Crime
- Herv Dorsey – Workers' Compensation
- Ursula Hall – Commercial Lines
- Dayna Poche – Homeowners, Personal Property, Title, Excess Flood, Earthquake, Crop and Personal Liability
- William Wolfe – Inland Marine
- Technicians – Edna “Missy” Shields and Barbara Blair

*If you have any questions, please contact
the Office of Property and Casualty*

(225) 342-5203 (main)

(225) 342-5213 (direct Charles Hansberry)

(225) 342-6057 (facsimile)

Charles B. Hansberry, III, Esq.

Assistant Deputy Commissioner, Property & Casualty

August 6, 2015

