

CARROLL FISHER, CHAIRMAN

Ash Gockel, Member

John Marshall, Member

David Cawthon, Member

Trace Morgan, Member

AGENDA  
(Amended September 9, 2003)

STATE BOARD FOR PROPERTY AND CASUALTY RATES

The regularly scheduled meeting for the State Board for Property and Casualty Rates is to be held September 11, 2003, at 9:30 A. M. The Meeting will be held in the Commissioner's Conference Room of the Oklahoma Insurance Department, at 2401 Northwest 23<sup>rd</sup> Street, Suite 28, Oklahoma City, Oklahoma.

MEETING PROCEDURE

1. Old Business  
Reading of the Minutes of the August 21, 2003 meeting.
  
2. New Business  
Any matter not known about or which could not have been reasonably foreseen prior to posting the agenda.
  
3. Status of the requested Board Position Letters from the August 21, 2003 meeting. Proposals and industry comments regarding efforts to 1) limit the number of tiers and 2) to cap increases.
  
4. Update on Fair Credit Reporting Act Demographic Data Collection
  
5. Agenda Items  
Agenda items are continued through Page 10.
  
6. Adjournment

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Filings before the Board for final consideration which include rates, rating plans, classifications, class rates, rating schedules and manuals.

INDEPENDENT - Filings by insurers either not members of a rating organization for the line of insurance involved; or filing on an independent basis filings made on their behalf by a Bureau.

1. AMERICAN MERCURY INSURANCE COMPANY

Re: INDEPENDENT FILING - PRIVATE PASSENGER AUTO

Company is filing to adjust their tier requirements which will allow a driver to be written in their standard tier with one DUI/Major Violation.

Certification is not required.

Received: August 13, 2003 Filing: 2003-1671P

Motion made: APPROVED.

Motion made by: TRACE MORGAN

Second: DAVID CAWTHON

	Yea	Nay		Yea	Nay		Yea	Nay
Fisher	<u>X</u>	___	Marshall	<u>X</u>	___	Cawthon	<u>X</u>	___
Morgan	<u>X</u>	___	Gockel	<u>X</u>	___			

2. ARCH INSURANCE COMPANY

Re: INDEPENDENT FILING - CREDIT

Company is filing revised manual pages in the Credit Gap Program adding a rate and rule to accompany Additional Benefit Endorsement.

Filing has been amended to withdraw "Rule of 78's" to comply with Oklahoma Regulation 570:10-1-34. There is no rate effect.

FILING HAS BEEN CERTIFIED.

Received: August 7, 2003 Filing: 2003-1650P

Motion made: APPROVED As Amended.

Motion made by: JOHN MARSHALL

Second: TRACE MORGAN

	Yea	Nay		Yea	Nay		Yea	Nay
Fisher	<u>X</u>	___	Marshall	<u>X</u>	___	Cawthon	<u>X</u>	___
Morgan	<u>X</u>	___	Gockel	<u>X</u>	___			

3. BALBOA INSURANCE COMPANY

Re: INDEPENDENT FILING - PERSONAL LIABILITY

Company is filing rates and rules for a new personal liability program for renters. Filing has been amended by lowering requested rates. FILING HAS BEEN CERTIFIED.

Received: August 5, 2003 Filing: 2003-1640P

Motion made: APPROVED As Amended Subject To Statistics After One Year.

Motion made by: JOHN MARSHALL		Second: ASH GOCKEL			
	Yea Nay		Yea Nay		Yea Nay
Fisher	<u>X</u> ___	Marshall	<u>X</u> ___	Cawthon	<u>X</u> ___
Morgan	<u>X</u> ___	Gockel	<u>X</u> ___		

4. ELECTRIC INSURANCE COMPANY

Re: INDEPENDENT FILING - PRIVATE PASSENGER AUTO

Company is filing revised tiering guidelines (underwriting) to restrict more risks than previously accepted. Certification is not required.

Received: August 19, 2003 Filing: 2003-1685P

Motion made: APPROVED.

Motion made by: TRACE MORGAN		Second: ASH GOCKEL			
	Yea Nay		Yea Nay		Yea Nay
Fisher	<u>X</u> ___	Marshall	<u>X</u> ___	Cawthon	<u>X</u> ___
Morgan	___ <u>X</u>	Gockel	<u>X</u> ___		

5. FLORIST'S MUTUAL INSURANCE COMPANY

Re: INDEPENDENT FILING - WORKERS' COMPENSATION

Company is filing to increase their Loss Cost Multiplier from 1.266 to 1.331 applicable to workers' compensation policies. They are also increasing the Expense Constant from \$140 to \$200. The overall effect of this filing is +5% /+\$6,360. FILING HAS BEEN CERTIFIED.

Received: July 16, 2003 Filing: 2003-3604C

Motion made: APPROVED.

Motion made by: ASH GOCKEL		Second: JOHN MARSHALL			
	Yea Nay		Yea Nay		Yea Nay
Fisher	<u>X</u> ___	Marshall	<u>X</u> ___	Cawthon	<u>X</u> ___
Morgan	___ <u>X</u>	Gockel	<u>X</u> ___		

6. GOODVILLE MUTUAL CASUALTY COMPANY

Re: INDEPENDENT FILING - PERSONAL LIABILITY

Company is filing revised loss cost multipliers for their farm liability classes. Also filing revised base rates for Horse and Buggy and Dairy Farm exposures. Overall effect is +8.8% /+\$4,623 and rates were revised to follow American Association of Insurance Services (AAIS) revisions in Oklahoma file number 99-1867P.

FILING HAS BEEN CERTIFIED.

Received: August 5, 2003 Filing: 2003-1643P

Motion made: APPROVED.

Motion made by: TRACE MORGAN

Second: DAVID CAWTHON

	Yea	Nay		Yea	Nay		Yea	Nay
Fisher	<u>X</u>	___	Marshall	<u>X</u>	___	Cawthon	<u>X</u>	___
Morgan	<u>X</u>	___	Gockel	<u>X</u>	___			

7. GOODVILLE MUTUAL CASUALTY COMPANY

Re: INDEPENDENT FILING - PERSONAL MISCELLANEOUS

Company is filing rule revisions to add a bi-monthly payment plan, add an Electronic Funds Transfer payment option, increase the insufficient funds fee to \$25.00 and changed the collection letters to insureds from 2 to 1.

Certification is not required.

Received: August 13, 2003 Filing: 2003-1672P

Motion made: APPROVED.

Motion made by: TRACE MORGAN

Second: DAVID CAWTHON

	Yea	Nay		Yea	Nay		Yea	Nay
Fisher	<u>X</u>	___	Marshall	<u>X</u>	___	Cawthon	<u>X</u>	___
Morgan	<u>X</u>	___	Gockel	<u>X</u>	___			

8. PROGRESSIVE NORTHERN INSURANCE COMPANY  
 PROGRESSIVE SPECIALTY INSURANCE COMPANY  
 PROGRESSIVE PREFERRED INSURANCE COMPANY  
 PROGRESSIVE NORTHWESTERN INSURANCE COMPANY  
 PROGRESSIVE CASUALTY INSURANCE COMPANY  
 PROGRESSIVE SOUTHEASTERN INSURANCE COMPANY  
 PROGRESSIVE HALCYON INSURANCE COMPANY

Re: INDEPENDENT FILING - PRIVATE PASSENGER AUTO  
 Companies are filing symbols for new 2003 and 2004 model year vehicles.  
 Certification is not required.  
 Received: August 22, 2003 Filing: 2003-1699P

Motion made: APPROVED.

Motion made by: TRACE MORGAN			Second: DAVID CAWTHON				
	Yea Nay		Yea Nay		Yea Nay		
Fisher	<u>X</u> ___	Marshall	<u>X</u> ___	Cawthon	<u>X</u> ___		
Morgan	<u>X</u> ___	Gockel	<u>X</u> ___				

9. STATE FARM MUTUAL AUTOMOBILE INSURANCE COMPANY  
 STATE FARM FIRE AND CASUALTY COMPANY

Re: INDEPENDENT FILING - PRIVATE PASSENGER AUTO  
 Company is filing updated Insurance Rating Group (IRG) and Vehicle Safety Discount (VSD) designations to add additional 2003 and 2004 models.  
 Certification is not required.  
 Received: August 11, 2003 Filing: 2003-1659P

Motion made: APPROVED.

Motion made by: TRACE MORGAN			Second: DAVID CAWTHON				
	Yea Nay		Yea Nay		Yea Nay		
Fisher	<u>X</u> ___	Marshall	<u>X</u> ___	Cawthon	<u>X</u> ___		
Morgan	<u>X</u> ___	Gockel	<u>X</u> ___				

10. TRANSCONTINENTAL INSURANCE COMPANY

Re: INDEPENDENT FILING - PERSONAL LIABILITY  
 Company is filing rate and rule revision resulting in an overall effect of +9% /+\$6,390 with indications of 13.4%. Filing includes revised rates for all territories and coverage limits.  
 FILING HAS BEEN CERTIFIED.  
 Received: August 11, 2003 Filing: 2003-1658P

Motion made: APPROVED.

Motion made by: JOHN MARSHALL			Second: ASH GOCKEL				
	Yea Nay		Yea Nay		Yea Nay		
Fisher	<u>X</u> ___	Marshall	<u>X</u> ___	Cawthon	<u>X</u> ___		
Morgan	___ <u>X</u>	Gockel	<u>X</u> ___				

BUREAU - Filings by a licensed rating organization on behalf of its members. other than Homeowner and Fidelity and Surety lines of insurance.

11. NATIONAL CROP INSURANCE SERVICES

Re: BUREAU FILING - CROP HAIL

Bureau is filing revised loss costs for Crop-Hail Insurance. The overall effect is +0.45%. The filing designation is 2004NCISCH-OK1. FILING HAS BEEN CERTIFIED.

Received: July 18, 2003 Filing: 2003-1596P

Motion made: APPROVED.

Motion made by: JOHN MARSHALL

Second: DAVID CAWTHON

	Yea	Nay		Yea	Nay		Yea	Nay
Fisher	<u>X</u>	___	Marshall	<u>X</u>	___	Cawthon	<u>X</u>	___
Morgan	<u>X</u>	___	Gockel	<u>X</u>	___			

HOMEOWNERS - Filings for insurance which combine property and liability insurance to protect an investment in a home or contents, dwelling fire insurance, or individual fire insurance on building contents.

12. ALLSTATE INSURANCE COMPANY

Re: INDEPENDENT FILING - HOMEOWNERS

Company is filing to implement the use of Insurance Financial Stability scores for Condominium policies in their Homeowners Program. Certification is not required.

Received: July 16, 2003 Filing: 2003-1589P

Motion made: FILED.

Motion made by: DAVID CAWTHON

Second: ASH GOCKEL

	Yea	Nay		Yea	Nay		Yea	Nay
Fisher	<u>X</u>	___	Marshall	<u>X</u>	___	Cawthon	<u>X</u>	___
Morgan	___	<u>X</u>	Gockel	<u>X</u>	___			

13. ALLSTATE INSURANCE COMPANY

Re: INDEPENDENT FILING - HOMEOWNERS

Company is filing revised underwriting and eligibility guidelines for Condominiums in their Homeowners Program. Certification is not required.

Received: July 18, 2003 Filing: 2003-1595P

Motion made: FILED.

Motion made by: DAVID CAWTHON

Second: ASH GOCKEL

	Yea	Nay		Yea	Nay		Yea	Nay
Fisher	<u>X</u>	___	Marshall	<u>X</u>	___	Cawthon	<u>X</u>	___
Morgan	<u>X</u>	___	Gockel	<u>X</u>	___			

14. AMERICAN SUMMIT INSURANCE COMPANY

Re: INDEPENDENT FILING - MOBILE HOMEOWNERS

Company is filing a revision to their Manufactured Homeowners Program that includes revised rates and rules for the Universal Manufactured Homeowners Program and introduces rates and rules for the Universal Named Peril Program, Universal Tenant Program and Select Manufactured Homeowners Program. The overall rate effect is +11.31% /+\$136,121 with a maximum increase to any Oklahoma insured of 35%. At staff's recommendation the base rates were reduced by 11.3%. The amended overall rate effect is 0.00% /\$0 with the maximum increase to any Oklahoma insured of 34.7%. A breakdown of percentages by policyholder is as follows:

Rate Impact	Policy Count	Rate Impact	Policy Count
-41.7% to -40.0%	2	- 5.0% to 0.0%	386
-39.0% to -35.0%	10	0.0% to 5.0%	384
-34.0% to -30.0%	24	6.0% to 10.0%	283
-29.0% to -25.0%	108	11.0% to 15.0%	413
-24.0% to -20.0%	111	16.0% to 20.0%	278
-19.0% to -15.0%	210	21.0% to 25.0%	123
-14.0% to -10.0%	340	26.0% to 30.0%	172
- 9.0% to - 5.0%	207	31.0% to 34.7%	257
Certification is not required.		TOTAL	3,309
Received: June 26, 2003		Filing: 2003-1536P	

Motion made: FILED As Amended.

Motion made by: ASH GOCKEL

Second: JOHN MARSHALL

	Yea	Nay		Yea	Nay		Yea	Nay
Fisher	<u> X </u>	___	Marshall	<u> X </u>	___	Cawthon	___	<u> X </u>
Morgan	___	<u> X </u>	Gockel	<u> X </u>	___			

15. AMEX ASSURANCE COMPANY

Re: INDEPENDENT FILING - HOMEOWNERS

Company is filing revised Protection Class Definitions provided by Insurance Services Office (ISO), for use in their Safety Pays Homeowner Program.

Certification is not required.

Received: August 1, 2003 Filing: 2003-1637P

Motion made: FILED.

Motion made by: TRACE MORGAN

Second: DAVID CAWTHON

	Yea	Nay		Yea	Nay		Yea	Nay
Fisher	<u> X </u>	___	Marshall	<u> X </u>	___	Cawthon	<u> X </u>	___
Morgan	<u> X </u>	___	Gockel	<u> X </u>	___			

16. HORACE MANN INSURANCE COMPANY  
TEACHERS INSURANCE COMPANY

Re: INDEPENDENT FILING - HOMEOWNERS

Company is filing updated Public Protection Classification Pages for use in their Homeowners, Mobile Homeowners and Dwelling Fire Programs.

Certification is not required.

Received: July 29, 2003 Filing: 2003-1632P

Motion made: FILED.

Motion made by: TRACE MORGAN

Second: DAVID CAWTHON

	Yea	Nay		Yea	Nay		Yea	Nay
Fisher	<u>X</u>	___	Marshall	<u>X</u>	___	Cawthon	<u>X</u>	___
Morgan	<u>X</u>	___	Gockel	<u>X</u>	___			

17. LE MARS MUTUAL INSURANCE COMPANY

Re: INDEPENDENT FILING - HOMEOWNERS

Company is filing for use in their Homeowners Standard Program to revise Rule 106., Item 4., Subdivision Protection Plan to rename it Suburban Rating Plan, move the distance from the primary corresponding fire department to five miles, remove the limitation on the number of homes in the subdivision and add requirements that the home be constructed in the last 25 years, be insured to 100% of replacement cost and minimum and maximum Coverage A amounts.

Certification is not required.

Received: July 24, 2003 Filing: 2003-1610P

Motion made: FILED.

Motion made by: DAVID CAWTHON

Second: JOHN MARSHALL

	Yea	Nay		Yea	Nay		Yea	Nay
Fisher	<u>X</u>	___	Marshall	<u>X</u>	___	Cawthon	<u>X</u>	___
Morgan	<u>X</u>	___	Gockel	<u>X</u>	___			

18. MERASTAR INSURANCE COMPANY

Re: INDEPENDENT FILING - HOMEOWNERS

Company is filing a rate and rule revision for their Homeowners Program that includes revised base rates, revised Form 6 factor and revisions to manual pages that contain typographical errors. The overall rate impact is +20.12% /+\$2,622 with a maximum increase to any Oklahoma insured of 27.58%. A breakdown of percentages by policyholder is as follows:

Rate Effect	Number of Policies
0.00 to 5.00%	0
5.01 to 10.00%	0
10.10 to 15.00%	1
15.01 to 20.00%	19
20.01 to 25.00%	7
25.01 to 27.58%	3
TOTAL	30

Certification is not required.

Received: July 31, 2003                      Filing: 2003-1635P

Motion made: FILED.

Motion made by: ASH GOCKEL

Second: JOHN MARSHALL

	Yea	Nay		Yea	Nay		Yea	Nay
Fisher	<u>  X  </u>	<u>      </u>	Marshall	<u>  X  </u>	<u>      </u>	Cawthon	<u>      </u>	<u>  X  </u>
Morgan	<u>      </u>	<u>  X  </u>	Gockel	<u>  X  </u>	<u>      </u>			

19. NATIONAL CASUALTY COMPANY

Re: INDEPENDENT FILING - MOBILE HOMEOWNERS

Company is filing a rate and rule revision for use with their Mobile Homeowners Program that includes replacing their current system of separately coded rates for each coverage amount, territory, protection class and construction type with a system that includes base rates and a series of relativities. Filing is amended to include Rate Page N-MO-R-OK-2 (10-03) and Manual Page N-MO-R-OK-2 (8-03). The overall rate impact is +15.4% /+\$22,154 with a maximum increase of 34.9% to any Oklahoma insured. A breakdown of percentages by policyholder is as follows:

Rate Impact	Policy Count	Policy Distribution
0.0% to 5.0%	0	0.0%
5.1% to 10.0%	72	16.4%
10.1% to 15.0%	214	48.9%
15.1% to 20.0%	79	18.0%
20.1% to 25.0%	27	6.2%
25.1% to 30.0%	33	7.5%
30.1% to 35.0%	13	3.0%
35.1% to 40.0%	0	0.0%
TOTAL	438	100.0%

Certification is not required.

Received: June 24, 2003 Filing: 2003-1522P

Motion made: FILED As Amended.

Motion made by: JOHN MARSHALL		Second: ASH GOCKEL			
Yea	Nay	Yea	Nay	Yea	Nay
Fisher	<u>X</u>	Marshall	<u>X</u>	Cawthon	<u>X</u>
Morgan	<u>X</u>	Gockel	<u>X</u>		

20. PHARMACISTS MUTUAL INSURANCE COMPANY

Re: INDEPENDENT FILING - HOMEOWNERS

Company is filing to adopt American Association of Insurance Services (AAIS) New Home and Age of Systems Rating Plan Supplement (Rev. 3.0), contained in filing designation AAIS-2002-13 (Oklahoma file number 02-1275P), to replace the New Home Credit Supplement (Rev. 2.0). The overall rate impact is +1.6% /+\$3,700.

Certification is not required.

Received: July 29, 2003 Filing: 2003-1633P

Motion made: FILED.

Motion made by: TRACE MORGAN		Second: DAVID CAWTHON			
Yea	Nay	Yea	Nay	Yea	Nay
Fisher	<u>X</u>	Marshall	<u>X</u>	Cawthon	<u>X</u>
Morgan	<u>X</u>	Gockel	<u>X</u>		

21. UNITED SERVICES AUTOMOBILE ASSOCIATION  
 USAA CASUALTY INSURANCE COMPANY

Re: INDEPENDENT FILING - DWELLING FIRE

Companies are filing revisions to their Dwelling Fire Manual that includes revised base rates, revised miscellaneous rates to show rates for Extended, Broad and Special coverages separately and implementation of a deductible roll-up plan. The overall rate effect is +25% /+\$395,454 with a maximum increase to any Oklahoma insured of 28%. The filing was amended to lower the base rate increase. The amended overall rate effect is +18.7% /+\$295,202 with a maximum increase to any Oklahoma insured of 19.8%. A breakdown of percentages by policyholder is as follows:

Range	Rate Level
-10% to - 5%	0
- 5 to 0	0
0% to + 5%	2
+ 5 to +10%	12
+10% to +15%	29
+15% to +20%	4,308
<b>TOTAL</b>	<b>4,351</b>

Certification is not required.

Received: June 19, 2003 Filing: 2003-1518P

Motion made: FILED As Amended.

Motion made by: JOHN MARSHALL

Second: ASH GOCKEL

	Yea	Nay		Yea	Nay		Yea	Nay
Fisher	<u>  X  </u>	<u>      </u>	Marshall	<u>  X  </u>	<u>      </u>	Cawthon	<u>  X  </u>	<u>      </u>
Morgan	<u>      </u>	<u>  X  </u>	Gockel	<u>  X  </u>	<u>      </u>			

22. UNITED SERVICES AUTOMOBILE ASSOCIATION  
 USAA CASUALTY INSURANCE COMPANY

Re: INDEPENDENT FILING - HO - MISCELLANEOUS

Companies are filing Renters Protection Policy manual page GR-Z (11-03) to reduce the limit for new business on their Broad or Special Form with Replacement Cost Coverage from \$12,000 to \$5,000.

Certification is not required.

Received: August 22, 2003 Filing: 2003-1696P

Motion made: FILED.

Motion made by: DAVID CAWTHON

Second: TRACE MORGAN

	Yea	Nay		Yea	Nay		Yea	Nay
Fisher	<u>  X  </u>	<u>      </u>	Marshall	<u>  X  </u>	<u>      </u>	Cawthon	<u>  X  </u>	<u>      </u>
Morgan	<u>  X  </u>	<u>      </u>	Gockel	<u>  X  </u>	<u>      </u>			