

Bulletin 17

**MULTIPLE PERIL RATING PLAN FILINGS –
MEMBERS AND SUBSCRIBERS OF RATING ORGANIZATIONS**

October 1, 1964

It has come to the attention of this Department that some companies have filed special multiple peril rating plans with the Department and are applying these plans to risks which qualify for the S.M.P. filings made on behalf of these companies by the Rating Organization of which the Company is a member or subscriber.

To use such individual rating plans and at the same time optionally use the S.M.P. rate filings on such risks is contrary to the intent of the Indiana Rating Laws and to 760 IAC 1-4-1, adopted May 11, 1959.

The law makes it quite clear that a deviation filing supersedes that portion of the Rating Organization filing to which the deviation applies. Therefore, any company's multiple peril filing, which can properly be considered a deviation filing, supersedes the Rating Organization's S.M.P. filing, but only in the area of the deviation.

The Indiana Rating Laws provide that Companies may become a member or a subscriber to a rating organization and authorize the Department to accept the Rating Organization's filings on behalf of the Company as an alternative to the requirement that the Company shall file its rates and rating plans with the Department. The Company must elect to either file direct with the Department or authorize the Department to accept the filings of the Rating Organization on any given class of risk.

This Department shall, therefore, require each Company which now has or makes a special multiple peril rating plan filing to specifically exclude from such rating plan any risk eligible to rating under any multiple peril rating plan filing made by the rating organization(s) of which the Company is a member or subscriber.

Your attention is also directed to the requirement by 760 IAC 1-4-1 that any Company filing a rating plan direct with the Department in which plan rates of a rating organization of which the Company is a member or subscriber are used, that arrangements, satisfactory to the Rating Organization(s), shall be made for the use of such rates and the Department so advised in writing.

All Companies with special multiple peril rating plans presently on file with this Department are directed to acknowledge receipt of this Bulletin and to advise the Department that the Company will adhere to these requirements.

Harry E. McClain
Insurance Commissioner