

PENNSYLVANIA INSURANCE DEPARTMENT

**CALL FOR 2016 PENNSYLVANIA PRIVATE PASSENGER AUTOMOBILE
INSURANCE EXPERIENCE**

INSTRUCTIONS FOR PART 3

GENERAL INSTRUCTIONS FOR PART 3

Part 3 of this data call must be completed only by the 20 largest insurance companies in terms of Pennsylvania private passenger automobile direct written premium in 2016. The 20 insurance companies that must complete Part 3 are as follows:

	<u>NAIC#</u>	<u>Company Name</u>
1.	25178	State Farm Mutual Automobile Insurance Company
2.	26271	Erie Insurance Exchange
3.	29688	Allstate Fire and Casualty Insurance Company
4.	32786	Progressive Specialty Insurance Company
5.	11851	Progressive Advanced Insurance Company
6.	37877	Nationwide Property and Casualty Insurance Company
7.	41491	GEICO Casualty Company
8.	23787	Nationwide Mutual Insurance Company
9.	36447	LM General Insurance Company
10.	26093	Nationwide Affinity Insurance Company of America
11.	19232	Allstate Insurance Company
12.	35882	GEICO General Insurance Company
13.	25143	State Farm Fire and Casualty Company
14.	21687	Mid-Century Insurance Company
15.	27998	Travelers Home and Marine Insurance Company
16.	19704	American States Insurance Company
17.	25941	United Services Automobile Association
18.	25968	USAA Casualty Insurance Company
19.	14990	Pennsylvania National Mutual Casualty Insurance Company
20.	19062	Automobile Insurance Company of Hartford, CT

Part 3 requests uninsured motorists and underinsured motorists ratemaking data by tort election in order to study the limited tort discount in Pennsylvania.

Part 3's for more than one insurance company should not be combined into a single Part 3. Each Part 3 should be submitted in a separate file.

Insurance companies should submit the data call via e-mail to James Di Santo at jadisanto@pa.gov.

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INSTRUCTIONS FOR SUBMISSION OF DATA:

Part 3 of this data call is to be submitted in Excel format, compatible with version 2010.

The required procedure for naming the file is:

Part Number_Company NAIC number.

For example, if the XYZ Insurance Company has NAIC number 99999, it must submit its Part 3 template as “3_99999.xls”. *Please do not use any other naming convention.*

INSTRUCTIONS FOR COMPLETING PART 3

Part 3 consists of four worksheets (in one file):

- 1.) UM – Limited Tort Electors: Data reported in this worksheet should reflect uninsured motorists coverage experience for limited tort electors.
- 2.) UM – Full Tort Electors: Data reported in this worksheet should reflect uninsured motorists coverage experience for full tort electors.
- 3.) UIM – Limited Tort Electors: Data reported in this worksheet should reflect underinsured motorists coverage experience for limited tort electors.
- 4.) UIM – Full Tort Electors: Data reported in this worksheet should reflect underinsured motorists coverage experience for full tort electors.

Within each worksheet, the following ratemaking data is requested:

- Earned Car-Years for each of the last five calendar years (2012-2016) ending 12/31;
- On-Level Earned Premium for each of the last five calendar years (2012-2016) ending 12/31;
- Cumulative development triangles for accident years 2010 – 2016 ending 12/31 for incurred claim counts, paid claim counts, incurred losses, paid losses, incurred ALAE, paid ALAE, incurred DCC Expense and paid DCC expense.

Data should not be rounded.

Data should be provided on an all limits basis.

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The data must be reported on an accident year ending 12/31 basis as of 12 months, 24 months, 36 months, 48 months, 60 months, 72 months and 84 months.

Incurred is synonymous with reported.

Incurred losses (reported losses) means paid losses plus case reserves. Incurred losses must be exclusive of IBNR, bulk reserves and loss adjustment expenses / DCC expenses.

Incurred ALAE means incurred allocated loss adjustment expenses on a case, formula or reported basis (that is, excluding IBNR or bulk reserves, or both).

Paid losses must exclude loss adjustment expenses / DCC expenses.

All data must be reported on a direct basis and prior to any reinsurance assumption. For example, a \$100,000 loss for which \$50,000 is retained by the direct insurer and \$50,000 is assumed by the reinsurer should be reported as \$100,000.

Insurers do not need to provide both ALAE and DCC expense data. Instead, insurers can report ALAE if that is how they perform their ratemaking and insurers can report DCC Expense if that is how they perform their ratemaking.