

State: Pennsylvania **First Filing Company:** Garrison Property and Casualty Insurance Company, ...

TOI/Sub-TOI: 04.0 Homeowners/04.0000 Homeowners Sub-TOI Combinations

Product Name: Homeowners Rate and Rule Revision

Project Name/Number: Homeowners Rate and Rule Revision/

Filing at a Glance

Companies: Garrison Property and Casualty Insurance Company
 United Services Automobile Association
 USAA Casualty Insurance Company
 USAA General Indemnity Company

Product Name: Homeowners Rate and Rule Revision

State: Pennsylvania

TOI: 04.0 Homeowners

Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations

Filing Type: Rate/Rule

Date Submitted: 08/24/2015

SERFF Tr Num: USAA-130216478

SERFF Status: Assigned

State Tr Num:

State Status: Received Review in Progress

Co Tr Num: PA1520097

Effective Date: 11/21/2015

Requested (New):

Effective Date: 11/21/2015

Requested (Renewal):

Author(s): Terry Lashley, Melissa Wagstaff

Reviewer(s): Bojan Zorkic (primary), Michael McKenney

Disposition Date:

Disposition Status:

Effective Date (New):

Effective Date (Renewal):

State Filing Description:

State: Pennsylvania **First Filing Company:** Garrison Property and Casualty Insurance Company, ...

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General Information

Project Name: Homeowners Rate and Rule Revision Status of Filing in Domicile:
Project Number: Domicile Status Comments:
Reference Organization: Reference Number:
Reference Title: Advisory Org. Circular:
Filing Status Changed: 08/24/2015
State Status Changed: 08/24/2015 Deemer Date:
Created By: Terry Lashley Submitted By: Terry Lashley
Corresponding Filing Tracking Number:

Filing Description:

United Services Automobile Association (USAA), USAA Casualty Insurance Company (USAA-CIC), USAA General Indemnity Company (USAA-GIC), and Garrison Property and Casualty Insurance Company (Garrison) are introducing a Smart Home Participation Discount Program. The purpose of this program is to collect data for research and ultimately to improve member service and rating accuracy. We believe that Smart Home technology has great potential to prevent Homeowners claims and to mitigate the losses that do occur, in addition to other value-added services. Please see the Explanatory Memorandum for additional details.

The related rule has been added to manual page PA-RULE-12 which has necessitated renumbering of previously approved rules on manual page PA-RULE-13.

Company and Contact

Filing Contact Information

Melissa Wagstaff, Sr Compliance Advisor melissa.wagstaff@usaa.com
A-03-W Insurance Regulatory 800-531-8722 [Phone] 83281 [Ext]
Compliance 866-649-8999 [FAX]
9800 Fredericksburg Road
San Antonio, TX 78288-1033

State: Pennsylvania **First Filing Company:** Garrison Property and Casualty Insurance Company, ...
TOI/Sub-TOI: 04.0 Homeowners/04.0000 Homeowners Sub-TOI Combinations
Product Name: Homeowners Rate and Rule Revision
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Filing Company Information

Garrison Property and Casualty Insurance Company 9800 Fredericksburg Road San Antonio, TX 78284-8496 (800) 531-8722 ext. [Phone]	CoCode: 21253 Group Code: 200 Group Name: USAA FEIN Number: 43-1803614	State of Domicile: Texas Company Type: Stock State ID Number:
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United Services Automobile Association 9800 Federicksburg Road San Antonio, TX 78288 (800) 531-8722 ext. [Phone]	CoCode: 25941 Group Code: 200 Group Name: USAA FEIN Number: 74-0959140	State of Domicile: Texas Company Type: Reciprocal State ID Number:
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USAA Casualty Insurance Company 9800 Fredericksburg Road San Antonio, TX 78288 (800) 531-8722 ext. [Phone]	CoCode: 25968 Group Code: 200 Group Name: USAA FEIN Number: 59-3019540	State of Domicile: Texas Company Type: Stock State ID Number:
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USAA General Indemnity Company 9800 Fredericksburg Road San Antonio, TX 78288 (800) 531-8722 ext. [Phone]	CoCode: 18600 Group Code: 200 Group Name: USAA FEIN Number: 74-1718283	State of Domicile: Texas Company Type: Stock State ID Number:
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Filing Fees

Fee Required? No
 Retaliatory? No
 Fee Explanation:

State Specific

*Filing Fee Amount: N/A
 *Date Filing Fee Mailed: N/A
 *Filing Fee Check Number: N/A
 *Filing Fee Check Date: N/A
 *NAIC Number: 25941, 25968, 18600, 21253

SERFF Tracking #:

USAA-130216478

State Tracking #:**Company Tracking #:**

PA1520097

State:

Pennsylvania

First Filing Company:

Garrison Property and Casualty Insurance Company, ...

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Rate/Rule Schedule

Item No.	Schedule Item Status	Exhibit Name	Rule # or Page #	Rate Action	Previous State Filing Number	Attachments
1		Rule Manual	Page PA-RULE-12 and PA-RULE-13	Replacement	USAA-130216392	Rule Manual pages.pdf
2		Rate Manual	PA-R-10.1	Replacement	USAA-129843697	Rate Manual page.pdf

State: **PENNSYLVANIA**
Line of Business: **HOMEOWNERS**
Effective: **NOVEMBER 21, 2015**
Companies: **UNITED SERVICES AUTOMOBILE ASSOCIATION**
USAA CASUALTY INSURANCE COMPANY
USAA GENERAL INDEMNITY COMPANY
GARRISON PROPERTY AND CASUALTY INSURANCE COMPANY

II. DISCOUNTS/SURCHARGES

1. Protective Device Credit

a.) Monitored Burglar Alarm Credit

An approved and properly installed and maintained burglar alarm in the residence may be recognized for a reduction in premium. To be eligible, the alarm must be centrally monitored by a paid service, or a wireless system self-monitored by a mobile device, such as a smart phone or tablet.
Refer to the State Rate Pages for the applicable credit.

b.) Monitored Fire Alarm Credit

An approved and properly installed and maintained fire alarm in the residence may be recognized for a reduction in premium. To be eligible, the alarm must be centrally monitored by a paid service, or a wireless system self-monitored by a mobile device, such as a smart phone or tablet.
Refer to the State Rate Pages for the applicable credit.

c.) Automatic Sprinkler Credit

An approved and properly installed and maintained internal sprinkler system in the residence may be recognized for a premium credit. To be eligible, the system must be in use in the entire living area except for attics, bathrooms, closets, and any attached structures. Refer to the State Rate Pages for the applicable credit.

2. Auto and Home Combination Discount

The policy is eligible for a premium discount if the Named Insured or the spouse of the Named Insured is also a Named Insured on an active automobile policy written by the USAA Group. Refer to the State Rate Pages for the applicable discount.

3. Home Age Discount

All Owners policies are eligible for a premium discount based on the age in years of the dwelling. Refer to the State Rate Pages for the applicable discount.

4. Smart Home Participation Discount

Eligible members for the Smart Home Participation Discount Program are (1) those who have personally invested in a Smart Home System with an approved vendor and (2) who have agreed to share their Smart Home data with USAA through this vendor. Members with multiple homes may sign up any and all qualifying properties at their discretion. Refer to the State Rate Pages for the applicable discount.

State: **PENNSYLVANIA**
Line of Business: **HOMEOWNERS**
Effective: **NOVEMBER 21, 2015**
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USAA CASUALTY INSURANCE COMPANY
USAA GENERAL INDEMNITY COMPANY
GARRISON PROPERTY AND CASUALTY INSURANCE COMPANY

5. Claims Free Discount

The policy is eligible for a premium discount if no chargeable Homeowners, Tenant Homeowners, or Renters claims have been paid for the Named Insured in the five years immediately preceding the effective date of the policy. Policies covering residences other than the primary residence of the Named Insured are not eligible for this discount. Refer to the State Rate Pages for the applicable discount.

A claim is not considered chargeable if any of the following apply:

- a. total payments on a claim are less than or equal to \$500
- b. a claim was paid under Medical Payments to Others coverage
- c. a claim was paid under Moving and Storage coverage
- d. a claim for a loss caused by flood was paid under a Renters policy.
- e. a claim was paid under WAR coverage.

6. Claims Activity Surcharge

A premium surcharge will be applied to the policy for any chargeable Homeowners, Tenant Homeowners, or Renters claims paid for the Named Insured in the three years immediately preceding the effective date of the policy. Policies covering residences other than the primary residence of the Named Insured are not eligible for this surcharge. Refer to the State Rate Pages for the applicable surcharge.

A claim is not considered chargeable if any of the following apply:

- a. total payments on a claim are less than or equal to \$500
- b. a claim was paid under Medical Payments to Others coverage
- c. a claim was paid under Moving and Storage coverage
- d. a claim paid under a Renters policy that was caused by flood
- e. a claim was paid under WAR coverage.
- f. a claim was reported to us as catastrophe related or was weather related
- g. a claim was reported to us as wildfire related

Note: If a non-USAA paid loss is identified as a fire loss and the insured reports that it is wildfire related, the loss will not affect the Claims Free Discount.

The Claims Activity Surcharge will be waived on the first otherwise chargeable claim if all of the following apply:

- a. the Named Insured has at least 5 years of tenure with the USAA Group. For purposes of this rule, tenure is defined as the duration of time from the date the Named Insured first purchased a Homeowners or Renters policy with the USAA Group to the effective date of the policy
- b. the policy was eligible for the Claims Free Discount on the previous annual term

State: PENNSYLVANIA
 Line of Business: HOMEOWNERS
 Effective: NOVEMBER 21, 2015

Companies: UNITED SERVICES AUTOMOBILE ASSOCIATION
 USAA CASUALTY INSURANCE COMPANY
 USAA GENERAL INDEMNITY COMPANY
 GARRISON PROPERTY AND CASUALTY INSURANCE COMPANY

DISCOUNTS AND SURCHARGES

**PROTECTIVE DEVICE CREDIT
 USAA GROUP
 OWNERS & UNIT-OWNERS FORMS**

	Other Perils	Other Fire	Other Wind and Hail	Theft	Water	Lightning	Liability	Hurricane	Severe Thunderstorm	Winter Storm	Fire Earthquake	Following Earthquake Coverage*	Other Optional Coverages
Monitored Burglar Alarm	--	--	--	0.9500	--	--	--	--	--	--	--	--	--
Monitored Fire Alarm	--	0.9500	--	--	--	--	--	--	--	--	--	--	--
Automatic Sprinklers in all areas except attic, bathroom, closet, and attached structures	--	0.8000	--	--	--	--	--	--	--	--	--	--	--

*Earthquake Coverage is an optional coverage

**SMART HOME DISCOUNT FACTOR
 USAA GROUP
 OWNERS & UNIT-OWNERS FORMS**

	Other Perils	Other Fire	Other Wind and Hail	Theft	Water	Lightning	Liability	Hurricane	Severe Thunderstorm	Winter Storm	Fire Earthquake	Following Earthquake Coverage*	Other Optional Coverages
SmartHome Discount Factor	0.9500	0.9500	0.9500	0.9500	0.9500	0.9500	0.9500	0.9500	0.9500	0.9500	0.9500	--	--

*Earthquake Coverage is an optional coverage

CLAIMS FREE DISCOUNT
 USAA GROUP
 OWNERS & UNIT-OWNERS FORMS**

	Other Perils	Other Fire	Other Wind and Hail	Theft	Water	Lightning	Liability	Hurricane	Severe Thunderstorm	Winter Storm	Fire Earthquake	Following Earthquake Coverage*	Other Optional Coverages
	0.9000	0.9000	0.9000	0.9000	0.9000	0.9000	0.9000	0.9000	0.9000	0.9000	0.9000	0.9000	0.9000

*Earthquake Coverage is an optional coverage

**Claims used in our Claims Free Discount are based on paid claims

**CLAIMS ACTIVITY SURCHARGE
 USAA GROUP
 OWNERS FORMS**

	Prior Non-Weather Claims**	Other Perils	Other Fire	Other Wind and Hail	Theft	Water	Lightning	Liability	Hurricane	Severe Thunderstorm	Winter Storm	Fire Earthquake	Following Earthquake Coverage*	Other Optional Coverages
0		1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
1		1.2231	1.1700	1.1241	1.2480	1.3084	1.0000	1.1823	1.0000	1.0000	1.0000	1.0000	1.0000	1.2231
2		1.7066	1.3300	1.3107	1.6259	1.5841	1.0000	1.5300	1.0000	1.0000	1.0000	1.0000	1.0000	1.7066
3		2.0242	1.5900	1.4600	1.9803	1.8159	1.0000	1.7700	1.0000	1.0000	1.0000	1.0000	1.0000	2.0242
4		2.8888	1.8500	1.8662	2.2919	2.1152	1.0000	2.0900	1.0000	1.0000	1.0000	1.0000	1.0000	2.8888
for each add'l claim above 4 add:		0.8646	0.2600	0.4062	0.3116	0.2993	0.0000	0.3200	0.0000	0.0000	0.0000	0.0000	0.0000	0.8646

*Earthquake Coverage is an optional coverage

**Claims used in our Claims Activity Surcharge are based on paid claims

**CLAIMS ACTIVITY SURCHARGE
 USAA GROUP
 UNIT-OWNERS FORMS**

	Prior Non-Weather Claims**	Other Perils	Other Fire	Other Wind and Hail	Theft	Water	Lightning	Liability	Hurricane	Severe Thunderstorm	Winter Storm	Fire Earthquake	Following Earthquake Coverage*	Other Optional Coverages
0		1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
1		1.0863	1.1629	1.0419	1.2243	1.3411	1.0000	1.1546	1.0000	1.0000	1.0000	1.0000	1.0000	1.0863
2		1.4188	1.2540	1.2600	1.6259	1.6252	1.0000	1.5224	1.0000	1.0000	1.0000	1.0000	1.0000	1.4188
3		1.8134	1.3865	1.4600	1.9803	1.8571	1.0000	1.6683	1.0000	1.0000	1.0000	1.0000	1.0000	1.8134
4		1.9070	1.5165	2.0300	2.2919	2.1596	1.0000	1.8283	1.0000	1.0000	1.0000	1.0000	1.0000	1.9070
for each add'l claim above 4 add:		0.0935	0.1300	0.5700	0.3116	0.3025	0.0000	0.1600	0.0000	0.0000	0.0000	0.0000	0.0000	0.0935

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**Claims used in our Claims Activity Surcharge are based on paid claims

SERFF Tracking #:

USAA-130216478

State Tracking #:

Company Tracking #:

PA1520097

State:

Pennsylvania

First Filing Company:

Garrison Property and Casualty Insurance Company, ...

TOI/Sub-TOI:

04.0 Homeowners/04.0000 Homeowners Sub-TOI Combinations

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Supporting Document Schedules

Bypassed - Item:	Authorization to File (PC)
Bypass Reason:	N/A
Attachment(s):	
Item Status:	
Status Date:	

Satisfied - Item:	Actuarial Explanatory Memorandum & Supporting Exhibits (PC)
Comments:	
Attachment(s):	Explanatory Memo.pdf
Item Status:	
Status Date:	

USAA Group
Pennsylvania
Smart Home Participation Discount Program
Homeowners Explanatory Memorandum

United Services Automobile Association, USAA Casualty Insurance Company, USAA General Indemnity Company, and Garrison Property and Casualty Insurance Company are filing to implement a Smart Home Participation Discount Program. The purpose of this program is to collect data for research and ultimately to improve policy service and rating accuracy. We believe that Smart Home technology has great potential to prevent Homeowners claims and to mitigate the losses that do occur, in addition to other value-added services. However, there is much to learn, and our first step is to offer qualifying policyholders the option to participate in this proposed program with a November 21, 2015, effective date.

Eligible policyholders for the Smart Home Participation Discount Program are (1) those who have personally invested in a Smart Home System with an approved vendor and (2) who have agreed to share their Smart Home data with USAA through this vendor. Policyholders with multiple homes may sign up any and all qualifying properties at their discretion.

We propose to offer a 5% discount to eligible policyholders that is applicable to the premium for Other Perils, Fire, Wind and Hail, Theft, Water, Lightning, Liability, Hurricane, Severe Thunderstorm, Winter Storm, and Fire Following Earthquake perils. Note that the discount does not apply to the optional endorsements for (1) personal computers, (2) jewelry, watches, furs, and silverware, (3) personal injury, (4) sinkhole, and (5) earthquake. We propose the 5% discount only in this filing with no base rate offset.

The policyholder will receive the discount immediately, including mid-term, upon notification that USAA is receiving the Smart Home data from the vendor. This discount shall apply on each policy renewal as long as USAA continues to receive Smart Home data from the vendor.