

# ARIZONA PROPERTY AND CASUALTY RATE AND RULE FILINGS

## PERSONAL AUTOMOBILE INSURANCE

The Property and Casualty Section within the Arizona Department of Insurance and Financial Institutions (the Department) has developed the following checklist to help you submit a complete and correct rate and rule filing.

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*NOTE: This checklist is not intended to serve as an all-inclusive list of requirements. Insurance policies must meet all requirements of Arizona law, regardless of whether the law is summarized in this checklist.*

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This checklist applies to the following types of insurance (TOI's) and sub-types:

### 19.0: Personal Auto

- 19.0001 - Private Passenger Auto;
- 19.0002 - Motorcycle;
- 19.0003 - Recreational Vehicle;
- 19.0004 - Other.

This checklist is in addition to the [General Filing Checklist](#)

### FILING REQUIREMENTS

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**NOTE – Use and file.** All rate filings must be made within 30 days after the effective date of the rate. Arizona law provides that if the rate or rule does not comply, the Department may issue an order at any time specifying in what respect the filing is in conflict and stating that, within 30 days after the order is issued, the rate is no longer effective. The order will not affect any contract made or issued prior to the effective date of the order. The insurer or rate service organization making the filing may request a hearing pursuant to Arizona Revised Statutes, Title 41, Chapter 6, Article 10. Please ensure that all of the applicable issues below are addressed in your rate filing. [ARS § 20-385](#).

Topic	References*	Requirements
* "§" = Arizona Revised Statutes Section		
<b>At Fault Accidents</b>	<a href="#">§ 20-263 (A)</a>	Insurers may not implement rating rules that allow for the increase of premiums or tier placement based on accidents or claims that are not caused or significantly contributed to by the actions of the insured. This includes the use of vehicle history scoring.
<b>Automobile Theft Authority Fee</b>	<a href="#">§ 41-3451(J)</a>	The Arizona Automobile Theft Authority (AATA) per vehicle semiannual fee is \$0.50 or a maximum of \$1.00 per year.
<b>Minimum Limits of Coverage</b>	<a href="#">§ 20-266</a>	Insurers must make the mandatory minimum liability limits available on all personal auto policies. These limits are defined under ARS §28-4009 as bodily injury limits of \$25,000 per person, \$50,000 per accident, and property damage liability limits of \$15,000 per accident or a combined policy limit (CSL of \$65,000..

<b>Monthly Payment Plans</b>	<a href="#">§20-267</a>	Insurers must <u>offer</u> a monthly payment plan, and may charge an installment fee. Insurers may not charge more than "an amount equal to one and one-half times the monthly premium in addition to the first month's premium."
<b>Motor Vehicle ID Cards</b>	<a href="#">§ 28-4133</a>	Insurers must issue at least two motor vehicle insurance identification cards for a motor vehicle or automobile liability policy that include the Insurers name and the MVD ID Number assigned to the insurer.
<b>Rating Seat Belt Usage</b>	<a href="#">§28-909 (E)</a>	Insurers may not implement rating or underwriting rules that surcharge an applicant, or cancel or non-renew an existing insured, based on vehicle restraint (lap and shoulder belt) violation.
<b>Rating Speed Violations</b>	<a href="#">§28-702.01</a>	Insurers may not implement rating or underwriting rules that surcharge an applicant, or cancel or non-renew an existing insured, based on a moving violation for driving sixty-five miles per hour or less if the maximum speed limit was fifty-five miles per hour.
<b>Safety Equipment</b>	<a href="#">§ 20-264</a>	When offering comprehensive coverage, insurers must also <u>offer</u> a separate rate for safety equipment coverage including glass in windows and doors and plastic material used in the lights for a vehicle, without a deductible.
<b>Credit Score Models</b>	<a href="#">§ 20-2110</a>	The Department requires that provision statements pertaining to § 20-2110(F)1-6 are included in the company UW manual or credit scoring model filed.
<b>Discounts/Surcharges</b>	<a href="#">§ 20-375</a>	The Department requires actuarial support for discounts. This support may be in the form of relativity tables displaying comparisons of profits and losses between policyholders receiving the discount and those that are not. While data specific to Arizona is preferred, national data to support a discount is acceptable.
<b>Confidential Documentation</b>	<a href="#">§ 44-401</a> <a href="#">§ 20-386</a>	Supporting documents provided in a filing, may be recognized as Trade Secret. However, the insurer or filer shall have the burden of asserting to the director that the information is a trade secret.
<b>GLM Models</b>	<a href="#">§ 20-381</a>	All supplementary rate information may be requested by the Department in order to further support the rate filing made. This information may be acknowledged as Trade Secret upon request. Please see the GLM Checklist provided by the Department.
<b>Fees</b>	<a href="#">§ 20-385</a>	Any fees charged by the insured must be included in a filing and actuarially supported via an expense breakdown.
<b>Privacy Notices</b>	<a href="#">§ 20-2104</a>	Privacy notices must be issued to insureds in accordance with statute. Please review the following: <a href="#">§ 20-2104</a> and <a href="#">§ 20-2101</a>
<b>Adverse Action Notices</b>	<a href="#">§ 20-2110</a>	Adverse underwriting decisions must be provided to the insured in accordance with § 20-2110(A-E).
<b>subTOIs</b>		Any Rate or Rate/Rule filing shall use the applicable subTOI when filing rate changes. Do not use "TOI XX Sub-OI Combinations" for filing types Rate or Rate/Rule for Homeowners, Personal Auto, Med Mal, Other Liabilities, Crop Hail, Commercial Auto, Commercial Multi-Perl, Inland Marine or Mortgage Guarantee filings when the rate change(s) apply

		to specific subTOI(s). This ensures that any rate change is assigned to the applicable subTOI.
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## CERTIFICATION OF COMPANY OFFICER

**NOTE: Filer certification must be completed and signed by an officer of the company.**

I, \_\_\_\_\_, certify on behalf of the company that is submitting this filing that I am responsible for the validity, accuracy and completeness of the enclosures in this filing. To the best of my knowledge and belief each form or rate filing included in this filing: 1) conforms to all of the applicable requirements outlined above; 2) contains no provision(s) previously disapproved or required to be corrected and/or revised by the Arizona Department of Insurance and Financial Institutions; 3) does not exceed this company’s powers, the authority granted by its state of domicile or its Arizona certificate of authority; and 4) complies with all applicable provisions of state or federal law and orders of the Director of Insurance.

Title: \_\_\_\_\_

Email: \_\_\_\_\_

Phone: \_\_\_\_\_

Date: \_\_\_\_\_

Company Officer Signature: \_\_\_\_\_

**Important Note: Pursuant to ARS § 28-4148, each insurer who cancels or becomes aware of the cancellation or nonrenewal of or failure to renew or issuance of a motor vehicle liability insurance policy issued on a vehicle in this state shall provide to the Department of Transportation all cancellations, non-renewals or new issues for any reason after seven or fewer days have elapsed from the time of processing the cancellation, non renewal or new issue of a policy.**

**The insurer shall provide the information by electronic data interchange in a format schedule specified by and in a manner prescribed by the Director of the Department of Transportation. ARS § 20-237 provides that if an insurer has failed to comply with the provisions of ARS § 28-4148, the Director of Insurance shall impose a civil penalty for each violation of not more than two hundred fifty dollars (\$250) per day for each day the insurer is in violation of ARS § 28-4148. The Director of Insurance also may suspend the insurer's certificate of authority until the insurer complies with the provisions of section ARS § 28-4148. For further information on reporting the required information, please contact the Arizona Department of Transportation.**