

RULE 61
INSURER REPORTS OF ARKANSAS PROPERTY AND CASUALTY CLAIMS
EXPERIENCE PURSUANT TO ACT 166 OF 1993

SECTION

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SECTION 1. PURPOSE.

The purpose of this Rule is to promulgate guidelines for licensed property and casualty insurers to follow in reporting Arkansas claims experience, premium income, and other related information on property and casualty policies and contracts; and to specify the format and content of the reporting form for the annual reports required by Act 166 of 1993, codified at Ark. Code Ann. §§23-63-1201, *et seq.* Further, the Arkansas Insurance Department shall compile, publish and make available the reports as to any particular insurer and year to any interested insured or citizen or their legal representatives.

SECTION 2. AUTHORITY AND SCOPE.

This Rule is promulgated pursuant to the Commissioner's authority under Ark. Code Ann. §23-63-1201, §23-61-108, the Administrative Procedure Act, codified at §§25-15-201, *et seq.*, and other applicable laws. It is intended to apply to all licensed property and/or casualty insurers holding an Arkansas Certificate of Authority. It is not intended to apply to and shall not apply to foreign or alien registered risk retention groups, registered purchasing groups, automobile clubs or associations, or approved but not admitted surplus line insurers.

SECTION 3. EFFECTIVE DATE.

This Rule shall be effective on September 1, 2005, upon filing with Arkansas Secretary of State and the Arkansas State Library, pursuant to the provisions of Ark. Code Ann. §§25-15-201, *et seq.*, as amended by Act 1106 of 1993.

SECTION 4. REPORTING REQUIREMENTS.

(a) **COMPILATIONS.** Commencing on and after January 1, 1994, all licensed property and casualty insurers shall keep records of and compile the following data on its direct writings in this State, and in particular on all Arkansas loss claims reported and incurred but not reported, as to personal and commercial policies and contracts covering Arkansas risks, including those multi-state policies covering Arkansas persons or properties, or activity or business operations.

(b) **REPORTING.**

(1) **REPORT FORM.** The reporting form as prescribed by the Commissioner, Form "AR 166" shall accompany the mailing of this Rule to all licensed property and casualty insurers, and insurers shall duplicate the form and complete it for filing. An electronic version of the form may be found on the Department's website for those desiring to submit the form as an

attachment to an email, on a cdr disk (CD = write one time, read multiple times), or a cdrw disk (CD = write and read multiple times). The claims reports are due no later than May 1st annually, unless the Commissioner has granted a time extension for good cause shown, after receiving such written requests from the insurer in advance of the May 1st annual deadline.

(2) **FILINGS.** In lieu of a hard copy report filing, filing of the annual reports required by this Rule may be performed by submitting the filing in Microsoft EXCEL format, or Openoffice spreadsheet format as an attachment to an email, on a cdr, or a cdrw disk. Email submissions shall be sent to: AR166@Arkansas.gov or to its successor address, if any, published on the Department's website from time to time. Submissions through email or the System for Electronic Rate and Form Filings (SERFF) are encouraged and appreciated. However, all forms submitted through email or on disk will not be considered received until the filing fee is received by the Department; see Section 4(f), *infra*, for additional information.

(3) **FILINGS BY LICENSED RATE SERVICE OR ADVISORY ORGANIZATIONS.** Pursuant to Ark. Code Ann. §§23-67-116 (2) and (13), licensed rate service or advisory organizations may file reports required by this Rule on behalf of a member or subscriber insurer.

(c) **WAIVER OF REPORTS.** Timely written requests filed with the Commissioner before the due date asking his consideration for waiver of the reporting requirements on an annual basis shall be considered and granted for good cause shown for licensees under the following circumstances: (1) Insurers currently under court-ordered conservation, rehabilitation, or liquidation in their domiciliary states; (2) insurers whose Arkansas Certificate of Authority has been suspended, expired or revoked, or cancelled upon voluntary surrender; and (3) insurers under orders of supervision or conservation issued by the domiciliary insurance commissioner, director or superintendent. The Commissioner may grant such waivers upon his own initiative by taking judicial notice of property and casualty insurers under license suspensions or supervision in any state, under a suspended or expired or revoked or cancelled Arkansas license, or under any court-ordered conservation or rehabilitation or liquidation in any state.

(d) **"ZERO" REPORTS REQUIRED.** Other than insurers who have obtained waiver of the reports from the Commissioner as described in Section (c) above, property and/or casualty insurers with Arkansas Certificates of Authority listing a "reinsurance only" restriction, and direct writers with no direct-written Arkansas premiums in the reporting year, and insurers with no Arkansas losses (incurred and reported, and incurred but not reported) to report under Arkansas policies or contracts for the reporting period, shall all nonetheless be responsible for and shall continue to file the annual forms, but shall complete them by reporting "zero" under the appropriate sections. The filing fee, as set forth in subsection (f) below, is still required for "zero" reports.

(e) **PENALTIES.** Any insurer failing to file the annual report when due in the absence of a time extension or waiver granted by the Commissioner, or any insurer filing a false or fraudulent report shall be deemed to have committed a Trade Practice violation under Ark. Code Ann. §23-66-205, §23-66-206 (5), and other applicable laws; and shall be subject to the penalties recited in Ark. Code Ann. §23-66-210, including suspension or revocation of the Arkansas Certificate of Authority, and monetary fines and other applicable provisions of the Arkansas Insurance Code.

(f) **FILING FEES; DEPOSIT OF FEES AND FINES.** The annual filing fee shall be \$50 per insurer pursuant to the provisions of Act 652 of 1993. Insurer holding companies shall not file a consolidated report. All such filing fees are payable by company check, money order, and/or cashiers or certified check, and shall be payable to The State Insurance Department Trust Fund ("Trust Fund"). Upon collection the Commissioner shall immediately deposit all such fees into The Trust Fund as special revenues. Fines and other monetary penalties shall be deposited as other applicable Arkansas laws provide. All forms submitted through email or on disk will not be considered as received until the filing fee is received by the Department. Any filer submitting the form through SERFF may transmit the filing fee by using its electronic funds transfer feature.

(g) **COMMISSIONER'S ANNUAL PUBLICATION.** The Commissioner shall compile and make available to the public the reports filed by each licensee as required by Ark. Code Ann. § 23-63-1204 and the provisions of this Rule. The Commissioner shall also file copies annually with the Governor of the State of Arkansas, the Arkansas Legislative Council, the Arkansas Secretary of State, the Arkansas State Library, and the National Association of Insurance Commissioners. Fees payable to obtain the annual reports shall be made payable to The State Insurance Department Trust Fund by personal check, cashiers or certified checks, money orders or cash. Upon collection, the Commissioner shall deposit such payments immediately into The Trust Fund.

SECTION 5. SEVERABILITY.

Any section or provision of this Rule held by a court to be invalid or unconstitutional will not affect the validity of any other section or provision of this Rule.

(signed by Julie Benafield Bowman)

JULIE BENAFIELD BOWMAN
INSURANCE COMMISSIONER
STATE OF ARKANSAS

(August 18, 2005)

DATE

FORM AR-166 Page 3 of 3	WORKERS COMPENSATION	PRODUCTS LIABILITY	MEDICAL MALPRACTICE	ARCHITECTS & ENG MALPRACTICE	ATTORNEYS MALPRACTICE
Company _____ Address _____ NAIC No _____ Rept Date _____					
1. Direct premiums written					
2. Direct premiums earned					
3. Net investment income, including net realized capital gains (losses)					
SUM #2 & #3	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
4. Incurred claims as a sum of the following figures:					
(a) Dollar amount of claims closed with payment					
(b) Reserves for reported claims at end of current year					
(c) Reserves for reported claims at end of previous year					
(d) Reserves for incurred but not reported claims t end of current year					
(e) Reserves for incurred but not reported claims at end of previous year					
(f) Incurred Loss adjustment expenses	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
SUM #4					
(a) Loss adjustment					
(b) Commissions					
(c) Other acquisition costs					
(d) General office expenses					
(e) Taxes					
(f) Loss prevention					
(g) Other expenses					
Sum #5	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
6. Net underwriting gain (loss) (#2-#4)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
7. Net operation gain (loss) Including net investment income (#2-#4)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00