

APPLICATION CHANGE LOG
Prior Approval Rate Application
Prior Approval Rate Template
Standard Exhibits Template
Prior Approval Rate Filing Instructions

Revisions are listed in reverse chronological order.

6/2/2025

Prior Approval Rate Filing Instructions

- Added a new section for Standard SIS Exhibits Template which is a standardized Exhibit 9 and 12 for commercial and qualifying residential property lines.
- Section on non-standard Required Exhibits 9 and 12 remain for those lines not subject to the CAT and NCOR regulations.
- Added instructions on PRID procedure to Model Checklist section
- Added sections on insurer commitment forms
- Moved large charts from the body of the instructions to Appendix
- Addition of clarifying language where necessary

Prior Approval Rate Template with NCOR

Prior Approval Rate Template version 2/21/2025 modification to accommodate NCOR.

Standard SIS Exhibit Template

Introduction of new Standard SIS Exhibit template which includes a Standardized Exhibit 9 (CAT Template) and Exhibit 12 (NCOR template)

2/21/2025

Prior Approval Rate Template

Efficiency Standards updated to reflect current values.

Updated link to the external Bond Yields file, to a new Excel file type.

Editorial changes.

Prior Approval Rate Application

Editorial changes.

Standard Exhibits Template

Editorial changes.

1/15/2025

Prior Approval Rate Filing Instructions

Section II A. "Applications" updated.

Section II C. "Filing by Line of Insurance" updated.

Section II E. "Proposed Rate Manual Pages" updated.

Section II F. "Eligibility Guidelines" updated.

Section V. "Filing Memorandum" updated.
Section VI D. "Exhibit 9 – Catastrophe Adjustment" updated.

12/19/2024

Prior Approval Rate Template

Reserve Ratios, Leverage Factors, and Incurred Loss & DCCE updated to reflect current values.

7/23/2024

Prior Approval Rate Template

Fixed error in the Medical Malpractice (Claims-Made and Occurrence) detailed lines on Page 1 (General) to correctly exclude reinsurance in the resulting calculations. Please note lines of business with reinsurance must be submitted in a separate Rate Template to lines of business without reinsurance.

4/18/2024

Prior Approval Rate Template

Efficiency Standards updated to reflect current values

11/09/2023

Prior Approval Rate Template

Reserve Ratios, Leverage Factors, and Incurred Loss & DCCE updated to reflect current values.

10/19/2023

Standard Exhibits Template

Page 1 (General) updated to allow decimal figures to be entered, as opposed to whole numbers only, for the average policy term.

6/5/23

Prior Approval Rate Application

Rate Application Page 12 (Model Disclosure) updated to include a reminder that each model page should only contain information exclusive to one specific model.

Editorial changes.

Prior Approval Rate Template

Rate Template Page 2 (Summary) error messages updated.

Editorial changes.

Standard Exhibits Template

Page 1 (General) updated to include an error message to ensure that the average policy term is filled in.
Editorial changes.

3/2/23

Standard Exhibits Template

Fixed minor error in the trend period calculation, introduced in 1/3/23 version of the Standard Exhibits.

2/21/23

Prior Approval Rate Template

Efficiency Standards updated to reflect current values.

1/3/23

Prior Approval Rate Template

Reserve Ratios, Leverage Factors, and Incurred Loss & DCCE updated to reflect current values.

Prior Approval Rate Application

Application Page 3 (Filing Type and Checklist) updated to add a new filing type "Transferred Program".

See the Prior Approval Rate Filing Instructions for further details.

Rate Application Page 12 (Model Disclosure) updated for clarity.

Editorial Changes.

Standard Exhibits Template

The trend period for the most recent year in Standard Exhibit 5 and Standard Exhibit 8 now has a default trend period which may be overwritten. Refer to the Prior Approval Rate Filing Instructions for further details.

New warning message added to assist filers with submitting incurred DCCE information and data correctly upfront.

Prior Approval Rate Filing Instructions

New Section II J. "Withdrawal of Pending Filings".

Section III C. "New Programs" updated.

New Section III D. "Transferred Program".

Section III E. "Rates" updated.

Section III E. "Forms" updated.

Section III. G. "Rating Rules and Underwriting Guidelines" updated to require a rating algorithm and rating sample be included in the rate manual. See Section III. G. for further details.

New Section III K. "General Examples Demonstrating the Appropriate Filing Type".

Section VI. COMPLETING THE APPLICATION, "Application Page 12 – Model Disclosure" updated to reflect changes made to this page.

Section VI. COMPLETING THE STANDARD EXHIBITS updated to reflect changes made to the trend period for the most recent year in Standard Exhibit 5 and Standard Exhibit 7.

06/27/22

Prior Approval Rate Template

Rate Template Page 1 (General) updated to add "Fire, Allied Lines & Other Liability", "Fire & Other Liability", "Allied Lines & Other Liability" to the "General Line" drop down list.

Rate Template Page 1 (General) updated to have new checkbox and question for "New Insurer Group with less than 3 years of Premium". The update fixes the error produced on Rate Template Page 4.2 when the insurer does not have enough years of data to calculate the excluded expense ratio.

Editorial changes.

Prior Approval Rate Application

Application Page 1 (General) updated to add "Fire, Allied Lines & Other Liability", "Fire & Other Liability", "Allied Lines & Other Liability" to the "General Line" drop down list.

Application Page 3 (Filing Type and Checklist) updated to include Questionnaire for Homeowners or Residential Property and Model Checklist.

Editorial changes.

Standard Exhibits Template, Supplemental Quarterly Development Template

Page 1 (General) updated to add "Fire, Allied Lines & Other Liability", "Fire & Other Liability", "Allied Lines & Other Liability" to the "General Line" drop down list.

New warning messages added to assist filers with submitting required data upfront.

Editorial changes.

01/19/2022

Prior Approval Rate Filing Instructions

Section II B. "Affidavit" updated.

Section VI. COMPLETING THE APPLICATION, "General Information" updated to remove signature requirement.

01/11/2022

Prior Approval Rate Application

Application Page 1 (General) updated to add "Other Liability and Product Liability" to the "General Line" drop down list. This will allow for both "Product Liability" and "Other Liability" to be filed under one Application.

Page 1 (General) now asks insurers to identify the number of models used and fill in the newly added Rate Application Page 12 with model information.

Page 9 (Forms) has been revised to add four new text fields regarding form change explanations. Table legend is relocated to the top of the page. New buttons are added on top to hide or unhide these rows for easier view.

Prior Approval Rate Template

Efficiency Standards updated to reflect current values.

Reserve Ratios, Leverage Factors, and Incurred Loss & DCCE updated to reflect current values.

Rate Template Page 1 (General) updated to add "Other Liability and Product Liability" to the "General Line" drop down list. This will allow for both "Product Liability" and "Other Liability" to be filed under one Application.

Standard Exhibits Template, Supplemental Quarterly Development Template

Standard Exhibits Template Page 1 (General) and Supplemental Quarterly Development Template Page 1 (General) updated to add "Other Liability and Product Liability" to the "General Line" drop down list.

This will allow for both "Product Liability" and "Other Liability" to be filed under one Application.

New warning message added to Standard Exhibits Template Exhibit 5 and Exhibit 8 to assist insurers with inputting data into the exhibits.

Prior Approval Rate Filing Instructions

Section II A. "Application" updated to clarify requests for the waiver of the "deemed approved" dates set forth in Insurance Code section 1861.05(c).

New Section II B. "Affidavit". Insurers must submit an Affidavit, as posted on the Department's public website and on SERFF. Only digital signatures created using Adobe Sign will be accepted.

Section VI. COMPLETING THE APPLICATION, "Application Page 9 - Forms" updated.

New section VI. COMPLETING THE APPLICATION, "Application Page 12 – Model Disclosure".

Section VIII. REQUIRED EXHIBITS, "Exhibit 1 – Filing History" updated to request information about the initial new program filing and previous model filings.

Section VIII. REQUIRED EXHIBITS, "Exhibit 10 – Credibility Adjustment" updated to provide clarification of the information required to be submitted in this exhibit.

11/17/2021

Prior Approval Rate Filing Instructions

New section II G. "Questionnaire for Homeowners or Residential Property". For rate or rule filings for homeowners or residential property lines of business, insurers must submit a completed questionnaire as posted on the Department's public website and on SERFF. Failure to provide thorough and clear responses prohibits the Department from accomplishing its duties and thereby halts or impedes review of the submitted filing in a timely manner. Section VIII. REQUIRED EXHIBITS, "Exhibit 18 – Rules and Underwriting Guidelines" and "Exhibit 20 – Customer Dislocation" updated.

06/11/2021

Prior Approval Rate Application

Minor bug fix to category codes on Page 9 (Forms).

06/04/2021

Prior Approval Rate Application

Minor bug fix on Page 8 (Miscellaneous Fees).

06/01/2021

Standard Exhibits Template, Supplemental Quarterly Development Template

Exhibit 7 amended to add hyperlinks to enable easier access to the development triangles.

Editorial changes.

Prior Approval Rate Application

Application Page 8 (Miscellaneous Fees) has been updated to include "Fixed Expense Fee/Constant/Premium".

Editorial changes.

Prior Approval Rate Template

Page 6 of the Rate Template, line 5 (miscellaneous fees and other charges) updated to read "Miscellaneous Fees and Flat Charges ~~not included in Line (2)~~".

Insurers are now required to enter an effective date on "1.General" (i.e. "On Approval" will no longer be an acceptable input).

Editorial changes.

Prior Approval Rate Filing Instructions

Section III C. "New Programs" and Section VIII. REQUIRED EXHIBITS "Exhibit 16 – New Programs" updated to clarify that if an insurer intends to replace an existing program, or if any policyholders are to be renewed into a "replacement" program from an existing program, the Filing Type for this filing must be identified as a rate filing and not as a new program filing.

Section V. Filing Memorandum updated to require insurers to submit justification for any credibility standard used.

Minor changes to Section VI. COMPLETING THE APPLICATION "Application Page 2 – Insurer Group Information". Insurers are reminded that for an insurer group, separate Applications must be submitted

for each company that uses the different rates, forms and/or rules (rating and underwriting) as per the aforementioned section.

Updated Section VI. COMPLETING THE APPLICATION "Application Page 8 – Miscellaneous Fees and Other Charges" and Section VIII. REQUIRED EXHIBITS "Exhibit 6 – Miscellaneous Fees and Other Charges" to require fixed expense fees to be included in miscellaneous fees, reported on Page 6 of the Rate Template, line 5 (miscellaneous fees and other charges).

Clarify requirements for "Exhibit 14 – Rate Distribution" and "Exhibit 15 – Rate Classification Relativities" in Section VIII. REQUIRED EXHIBITS.

Editorial changes.

02/01/2021

Prior Approval Rate Template

Efficiency Standards updated to reflect current values.

01/04/2021

Prior Approval Rate Application

Application Page 9 (Forms) has been updated to include new category codes and definitions for category code terms to help insurers better identify the intention of the proposed forms. A description box has been added to allow the insurers to provide information for forms indicated as "Other" under Type Code, Source Code, and/or Category Code.

Editorial changes.

Standard Exhibits Template, Supplemental Quarterly Development Template

Insurer are now **always required** to submit the following **annual** development triangles in the Standard Exhibits: Paid Loss & DCCE, Paid Loss, Paid DCCE, Incurred Loss & DCCE, Incurred Loss, Incurred DCCE (if tracked), Reported Claim Counts, Paid Claim Counts, Closed With Payment Claim Counts, and Closed Without Payment Claim Counts. If insurers wish to develop their losses on a quarterly basis, they need to also submit the Supplemental Quarterly Development Template *in addition* to the annual development triangles found in the Standard Exhibits. See the Prior Approval Rate Filing Instructions for further details.

07-29-2019 Edition of the Standard Exhibits Template will not be accepted after **March 5, 2021**.

Prior Approval Rate Template

Sheet '1.General' now requires insurers to fill out two dates: the date in which the rate Prior Approval Rate Template was filled out or updated ("Completed Date") and the date in which the filing was submitted in SERFF ("Initial SERFF Filing Date"). The initial SERFF filing date should remain constant if the user were to submit Prior Approval Rate Template file again with updated data in the same filing. Reserve Ratios, Leverage Factors, and Incurred Loss & DCCE have been updated to reflect current values.

Editorial changes.

Prior Approval Rate Filing Instructions

Section IX. COMPLETING THE STANDARD EXHIBITS TEMPLATE updated to provide instructions for completing the revised Standard Exhibits Template and the new Supplemental Quarterly Development Template.

Section VIII. REQUIRED EXHIBITS, "Exhibit 20 – Customer Dislocation" updated.

Editorial changes.

09/14/2020

Prior Approval Rate Application

Editorial changes.

07/22/2020

Prior Approval Rate Template

Editorial changes.

Prior Approval Rate Application

Editorial changes made to assist insurers with inputting the required information into the Rate Application.

02/21/2020

Prior Approval Rate Template

Efficiency Standards updated to reflect current values.

01/06/2020

Prior Approval Rate Application

Application Page 3 (Filing Type and Checklist) now requires insurers to complete a customized filing checklist based on the filing type. Insurers should identify the type of filing by completing the questions on the Filing Type section of this page. Once a valid filing type has been entered, insurers will be able to view and complete the checklist on the Filing Checklist section of this page. See the Prior Approval Rate Filing Instructions for further details.

Application Page 12 (Filing Checklist) deleted.

Editorial Changes.

Prior Approval Rate Template

Reserve Ratios, Leverage Factors, and Incurred Loss & DCCE have been updated to reflect current values.

Maximum Permitted LCM calculation updated. See the Prior Approval Rate Filing Instructions for further details.

Editorial changes.

Prior Approval Rate Filing Instructions

Section VI. COMPLETING THE APPLICATION amended to remove subtitle "Application Page 12 – Filing Checklist" and subtitle "Application Page 3 – Filing Type" amended to "Application Page 3 – Filing Type and Checklist". "Application Page 3 – Filing Type and Checklist" text amended.

Section X. LOSS COST MULTIPLIER FILING INSTRUCTION updated.

Editorial changes.

07/29/2019

Prior Approval Rate Template

Drop-down list added for Month/Year selection in worksheet '3.2YieldFIT'.

Prior Approval Rate Application

New error and warning messages added to assist insurers with inputting the correct information into the Rate Application.

Error message pop-up issue referenced in the 04/30/2019 Rate Application changes fixed so that this no longer applies.

Editorial Changes.

Prior Approval Rate Filing Instructions

New filing requirements listed in section VIII. REQUIRED EXHIBITS under the following subsections:

- Exhibit 9 – Catastrophe Adjustment
- Exhibit 20 – Customer Dislocation

Editorial changes.

Standard Exhibits Template

Editorial changes.

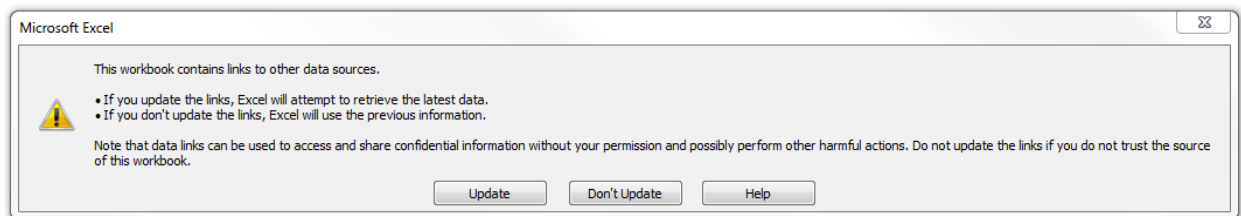
04/30/2019

Prior Approval Rate Application

New error and warning messages added to assist insurers with inputting the correct information into the Rate Application.

Editorial changes.

Note that an error message may now pop-up when opening the Prior Approval Rate Application. You will find a screenshot of the error message below. Please click "Don't Update" to continue.



Prior Approval Rate Template and Standard Exhibits Template

Editorial changes.

01/25/2019

Prior Approval Rate Application

Application Page 2 (Insurer Group Information) now requires insurers to provide the proposed rate change for each individual company to which the Application applies. See the Prior Approval Rate Filing Instructions for further details.

Editorial changes.

Standard Exhibits Template

Standard Exhibits Template Page 1 (General Information) requires insurers to input the name of the complement data source used in Standard Exhibits Template Page 4 – Exhibit 8 (Loss and DCCE Trend). Standard Exhibits Template Page 3 – Exhibit 7 (Loss and DCCE Development) requires paid claims to be submitted as per the definition of paid claim now included on this page.

Standard Exhibits Template Page 2 – Exhibit 5 and Standard Exhibits Template Page 4 – Exhibit 8 require exposure data to be entered as a blank cell if the insurer was not actively writing business and there were zero exposures written/earned in that quarter. Exposure data should be entered as a zero cell if the insurer was actively writing business but there were zero exposures written/earned in that quarter. Entering exposure data in this way ensures that the premium and loss trend calculations are performed correctly.

Editorial changes.

12/12/2018

Efficiency Standards updated to reflect current values.

11/07/2018

Prior Approval Rate Template

Reserve Ratios, Leverage Factors, and Incurred Loss & DCCE have been updated to reflect current values.

Editorial changes.

03/01/2018

Prior Approval Rate Template

The prior approval regulations where FIT rates are specifically cited have been amended. Effective February 23, 2018, a rate template incorporating the 21% FIT rate must be provided when submitting a rate filing. The drop-down list added on 02/16/2018 has been removed from the top of the "1.General" tab. Thus, the Rate Template will only use the 2018 corporate tax rate.

Other editorial changes were made.

02/16/2018

Prior Approval Rate Template

Added drop-down list at the top of the "1.General" tab to indicate whether the 1986 or 2018 corporate tax rate is to be used.

Added 9.7 SVO Identified Funds to "3.1Yield/FIT" tab.

Error message added to page 6, which will alert the user when there are empty cells in the Projected column (for Rate filings) or New Program column (for New Program filings).

Efficiency standards updated to reflect 2016 data.

Editorial changes.

11/08/2017

Prior Approval Rate Template

Incurred Loss and DCCE updated to reflect current values.

11/06/2017

Prior Approval Rate Template

Reserve Ratios, Leverage Factors, and Incurred Loss & DCCE updated to reflect current values.

05/05/2017

Prior Approval Rate Template

Efficiency Standards updated to reflect current values.

Error corrections and editorial changes.

03/01/2017

Prior Approval Rate Template

Removed Media Categories so that entries need to only be made for total Institutional Advertising and total Non-Institutional Advertising for each year. (4.1 Excluded Exp). **03/01/2017**

Prior Approval Rate Filing Instruction

Revisions to reflect changes in template.
Error corrections and editorial changes.

03/01/2017

The New Prior Approval Rate Application Process - A Tutorial

Revisions to reflect changes in template.
Editorial changes.

12/13/2016

Prior Approval Rate Template

Reserve Ratios and Leverage Factors have been updated to reflect current values

To see more details: <https://www.insurance.ca.gov/0250-insurers/0800-rate-filings/0200-prior-approval-factors/prior-approval-factors.cfm>

10-24-2016 Edition of Prior Approval Rate Template will not be accepted after **60 days**

10/24/2016

Prior Approval Rate Application

Error corrections and editorial changes

Prior Approval Rate Template

Changed Minimum/Maximum Permitted Premium to match "7. Rate Change Calculation" worksheets (2.Summary)

Added checkboxes for the Company to verify that each of its excluded expenses is on a Countrywide, Group basis (4.1/4.2 Excluded Exp)

Added "Direct Mail" in the Media Category (4.1 Excluded Exp)

Loss & DCCE are removed from the worksheet; instead Yield, FIT, and Risk Free Rate of Return are added (5.CDI Parameters)

Changed note to read "Lines 16-18 link directly to pages 3 and 4 of the application" to "Lines 16-18 link directly to pages 3 and 4 of the rate template" (7. Rate Change Calculation)

Error corrections and editorial changes

Standard Exhibits Template

Added checkboxes for the Company to whether Exhibits 7/8 include CWPs (1.General)

Error corrections and editorial changes

04/29/2016

Prior Approval Rate Application

Changed the name of "6.HO Form Detail" tab to "6.Program Detail". The tab no longer applies to the Homeowners Line Only but all lines.

Added space for more variance requests

Added Fire & Allied Lines so that Fire & Allied can be filed together in one template

Error corrections and editorial changes

Prior Approval Rate Template

Added Fire & Allied Lines so that Fire & Allied can be filed together in one template
Error corrections and editorial changes

Standard Exhibits Template

Added Fire & Allied Lines so that Fire & Allied can be filed together in one template
Error corrections and editorial changes

Prior Approval Rate Filing Instruction

Revisions to reflect changes in application and template

The New Prior Approval Rate Application Process - A Tutorial

Revisions to reflect changes in application and template

01/12/2016***Prior Approval Rate Template***

Efficiency Standard and Incurred Loss & DCCE have been updated to reflect current values.

12/11/2015***Prior Approval Rate Filing Instruction***

The primary changes were:

- Added a reference chart regarding submission requirements for data in the recorded period
- Added additional chart with examples of acceptable time periods for data in the recorded period, trend exhibits and loss development exhibits
- Added the requirement that all rate filings, regardless of line of business, must be accompanied by a complete copy of underwriting guidelines (previously only a requirement for PPA and Homeowners).

Other editorial changes were also made.

12/1/2015***Prior Approval Rate Template***

Reserves Ratios and Leverage Factors have been updated to reflect current values.

09/01/2015

Effective this date, the California Department of Insurance (CDI) rolled out new versions of the Prior Approval Rate Application and Prior Approval Rate Template, and introduced a new Standard Exhibits Template. All three of the new templates must be submitted via SERFF in both the original Excel and PDF format. Concurrent with these revisions, the CDI also revised the Prior Approval Rate Filing Instructions document. The purpose of the changes is twofold: to clarify existing prior approval rate requirements and to reduce delays in the prior approval rate review process. The new Rate Template provides insurers with immediate feedback on any data or other entry errors prior to filing submission. The Standard Exhibits Template contains data required to expedite review of the filing. The more substantive changes are detailed below. Refer to the Prior Approval Rate Filing Instructions for a complete discussion of all rate filing requirements.

Prior Approval Rate Application

This template is intended to be the formal application submission for the filing. Included in this file are general information on the insurer or insurer group, details regarding the line of business/coverages, forms or programs being filed, the proposed impact of the filing, data reconciliation and additional data required by statute, miscellaneous fees & other charges, information regarding changes to forms or rules & underwriting guidelines, and variance requests, if any. A filing checklist is provided to ensure completeness of the filing submission. This template does **not** include any information that is used directly in the calculation of the overall minimum and maximum permitted rate changes (CHANGE_AT_MIN and CHANGE_AT_MAX) for the insurer's filed line/coverage, form or program.

Prior Approval Rate Template

This template provides all of the calculations required to arrive at the final CHANGE_AT_MIN and CHANGE_AT_MAX for each of the insurer's filed lines/coverages, forms or programs. The template accommodates up to 10 coverages, forms or programs, and applies to all lines of business. The file displays only as many Ratemaking Data and Rate Calculation sheets as there are coverages, forms or programs in the filing. (For instance, a PPA filing with eight coverages will display Ratemaking Data and Rate Calculation sheets for only eight coverages. Sheets associated with the two remaining coverage slots will be hidden from view.) For those filings using loss cost multipliers and loss costs from an advisory organization, the file displays a separate LCM calculation sheet associated with each coverage, form or program filed. Additionally, the derivation of the maximum permitted LCM has been simplified (refer to Prior Approval Rate Filing Instructions for more information). Also included in this file are the projected yield and federal income tax on investment income derivations, the excluded expense ratio calculation, and all relevant prior approval factors (efficiency standards, reserves ratios, leverage ratios and rate of return). Finally, the file includes increased error messaging such that the final calculation of the CHANGE_AT_MIN and CHANGE_AT_MAX will not display until all errors have been resolved.

Standard Exhibits Template

This template is a new addition to the prior approval rate review process. Its inclusion is expected to shorten the length of the rate review process by requesting certain required data in a standardized format up front as part of the original filing submission rather than during the rate review period. The template, which accommodates up to 10 coverages, forms or programs, requires the insurer to populate the quarterly data that when rolled results in the premium trend and loss trend components in Exhibits 5 and 8 as required by CCR §2644.7. In addition, the template requires the insurer to provide loss and claim count development triangles in Exhibit 7 as required by CCR §2644.6, also in a standard format. In the event that a variance impacting trend or development is necessary, two versions of this file will need to be submitted, with and without variance. **Any rate filing that excludes the Standard Exhibits Template will be rejected by the Rate Filing Intake Unit.**