



## California Department of Insurance

### Prior Approval Rate Application

#### Questionnaire for Insurers Seeking Recoupment of a FAIR Plan Assessment

In order to fulfill its legal duty to perform a complete rate review of the submitted application, the Department requires the following detailed information. Failure to provide thorough and clear responses prohibits the Department from accomplishing its duties and thereby halts or impedes review of the submitted application in a timely manner.

NAIC Group Code

NAIC Group Name

NAIC Company Name and Code(s):

Lines of Business in scope:

**NAIC Annual Statement Line**

Fire [NAIC Line ASL 1]

Allied [NAIC Line ASL 2.1]

Farmowners [NAIC ASL 3]

Homeowners [NAIC ASL 4]

Commercial Multi Peril Non-Liability [NAIC ASL 5.1]

Other

**A. Coverage of a FAIR Plan Assessment by Another Source**

1. Is any portion of the FAIR Plan Assessment covered by any reinsurance? Yes      No
2. Is any portion of the FAIR Plan Assessment covered under any other means? Yes      No
3. If "Yes" is checked in either instance above, please explain the amount of FAIR Plan Assessment that is covered by any reinsurance or under any other means.
4. Please also explain whether the corresponding portion of the recouped covered assessment is not in any way retained by the insurer and is in fact fully ceded back to the reinsurer or other source.

**B. The Insurer's FAIR Plan Assessment**

1. What is the total amount of FAIR Plan assessment levied against the insurer across all lines of insurance?
2. What is the amount of FAIR Plan assessment allocated to the line of insurance for which this rule change application is being submitted?
3. What is the total amount of assessment payment that the insurer has submitted to FAIR Plan, and when was that payment made?

**C. Specifics of the Recoupment Being Sought by the Insurer**

1. Please identify all of the types, categories, classifications, groups, etc. of policyholders in this line of insurance that will be subject to the *temporary supplemental fee*.
2. For each policyholder who will be billed a temporary supplemental fee, please indicate the percentage of premium the temporary supplemental fee will represent, and how the percentage was determined.
3. Please identify the desired effective date that the insurer expects to start collecting the *temporary supplemental fee* from its policyholders.
4. Please identify the duration of time over which the insurer expects to collect the *temporary supplemental fee* from its policyholders.

**D. Supplemental questionnaires:**

1. How will the insurer monitor and ensure that the amount of the recoupment fee will not exceed the approved recoupment amount?
2. Please provide a summary report as an amendment to the filing once the designated collection period of 24 months or less ends. Proposed reporting date:
3. Confirm that the insurer has attached to their filing the letter received from the FAIR Plan confirming the amount of the assessment. *Any financial institution information contained in the letter, e.g. routing number or account number, should be redacted.*
4. Confirm that the recoupment amounts were assessed separately for personal lines and commercial lines.
5. Explain whether or not the recoupment percentage is the same for across all personal lines policyholders and for all commercial lines policyholders. If not, explain why.