

State of Rhode Island and Providence Plantations
DEPARTMENT OF BUSINESS REGULATION
Division of Insurance
1511 Pontiac Avenue, Bldg. 69-2
Cranston, RI 02920

INSURANCE REGULATION 20

CONSENT-TO-RATE FILING

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Section 1 **Purpose**

The purpose of this Regulation is to provide a method of securing insurance under consent-to-rate filings in accordance with R.I. Gen. Laws §§ 27-6-14, 27-7.1-6.2 27-9-13, 27-44-6(e) and 2003 P.L. ch.410, at rates in excess of those filed with and approved by the Department while assuring that those rates are not excessive or unfairly discriminatory.

Section 2 **Authority**

This Regulation is issued pursuant to the authority vested in the Insurance Commissioner by R.I. Gen. Laws §§ 27-6-44, 27-9-12, 27-44-19 and 42-14-17. This Regulation shall not apply to “Special Commercial Risks” as defined by R.I. Gen. Laws § 27-65-1.

Section 3 **Definitions**

- A. “Consent to Rate” means an agreement filed with and approved by the Department between an insurer and an insured to issue an insurance policy at rates in excess of those on file with the Department. No insurer may Consent to Rate to a premium lower than filed rates for an individual insured. Individual risks priced according to a filed scheduled rating plan do not constitute “Consent to Rate.”

- B. “Department” means the Insurance Division of the Department of Business Regulation.

- C. "Insurer" means an insurance company chartered, licensed, or authorized to do an insurance business in the state pursuant to Title 27 of the Rhode Island General Laws or 2003 P.L. ch.410.
- D. "Risk" means any applicant seeking insurance in accordance with R.I. Gen. Laws §§ 27-6-14, 27-7.1-6.2, 27-9-13, 27-44-6(e) and 2003 P.L. ch.410.

Section 4 Requirements for Filing

1. Each insurer submitting a consent-to-rate filing for an individual risk shall include the following information as a minimum:
 - a. The location of the risk;
 - b. The type of insurance;
 - c. The limits of liability;
 - d. A description of what is being insured;
 - e. The filed rates for the classification, plus limits;
 - f. The percentage of increase above the filed rates;
 - g. The increased rates, plus limits;
 - h. Premium at filed and increased rates and limits;
 - i. Reason for issuance and acceptance of risk at rates in excess of those filed
 - j. A statement from the insurer as to the reason(s) that required a deviation from the filed rates.
2. Any risk that is to be insured for a period of thirty (30) days or more, and which will develop a premium of ten thousand dollars (\$10,000) or more during its policy term, must include in the statement the actual experience of the risk subject to the most recent two (2) year period as a minimum period and five (5) years as a maximum period preceding the desired effective date of the policy.
3. The actual experience shall include the number of claims paid and the amount of damages paid for each claim, and may also include the number of claims incurred and/or awaiting settlement for which reserves have been established and the amount of such reserves.
4. A consent-to-rate filing submitted for a corporate risk to be insured for a period of thirty (30) days or more and which will develop a premium of ten thousand

dollars (\$10,000) or more during its policy term shall contain a letter from the risk manager or President or Board of Directors of the corporation authorizing the filing.

5. Any risk which is to be insured for a period of thirty (30) days or more and which will develop a premium of ten thousand dollars (\$10,000) or more during its policy term shall submit the consent-to-rate filing to the Department no less than twenty (20) days prior to the desired effective date of the policy.
6. The Department will inform the insurer at least ten (10) days prior to the effective date of the policy if the consent to rate is not accepted prior to the effective date of the policy. If no such notice is received the insurer may issue the insurance policy based upon the consent to rate.
7. The original consent-to-rate shall be filed with the Department electronically via SERFF.
8. Copies of the consent to rate shall be retained by the producer, if applicable, and the insurer. The consent-to-rate must contain the applicant/risks agreement indicating acceptance of the rate proposed for the coverage.

Section 5 Severability

If any provision of this Regulation or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of this Regulation which can be given effect without the invalid provision or application, and to that end the provisions of this regulation are severable.

Section 6 Effective Date

This Regulation and the amendments thereto shall be effective as indicated below.

EFFECTIVE DATE:	November 17, 1975.
REFILED:	December 19, 2001
AMENDED:	April 15, 2009