

SERFF Tracking Number: AIXG-125856060 State: Arkansas
Filing Company: Nova Casualty Company State Tracking Number: EFT \$25
Company Tracking Number: NCC-AR-WC-2008-194-RR
TOI: 16.0 Workers Compensation Sub-TOI: 16.0000 WC Sub-TOI Combinations
Product Name: Workers Compensation Rules
Project Name/Number: NCCI TRIPRA Rules Adoption - Effective 09/01/08/NCC-AR-WC-2008-194-RR

Filing at a Glance

Company: Nova Casualty Company

Product Name: Workers Compensation Rules SERFF Tr Num: AIXG-125856060 State: Arkansas
TOI: 16.0 Workers Compensation SERFF Status: Closed State Tr Num: EFT \$25
Sub-TOI: 16.0000 WC Sub-TOI Combinations Co Tr Num: NCC-AR-WC-2008-194-RR State Status: Fees verified and received
Filing Type: Rule Co Status: Reviewer(s): Betty Montesi, Carol Stiffler, Brittany Yielding
Disposition Date: 11/12/2008
Authors: Kathy Banes, Carolyn White
Date Submitted: 10/14/2008 Disposition Status: Approved
Effective Date Requested (New): 09/01/2008 Effective Date (New): 09/01/2008
Effective Date Requested (Renewal): 09/01/2008 Effective Date (Renewal):
State Filing Description:

General Information

Project Name: NCCI TRIPRA Rules Adoption - Effective 09/01/08 Status of Filing in Domicile: Authorized
Project Number: NCC-AR-WC-2008-194-RR Domicile Status Comments: We are filed and approved to write Workers Compensation in our domiciliary state of New York.
Reference Organization: National Council on Compensation Insurance (NCCI) Reference Number: Filing Item #B-1407
Reference Title: Countrywide - Approval of Item # B-1407 - Catastrophe Advisory Org. Circular: CIF-2008-07 Provisions, Miscellaneous Values, Rules and Statistical Codes
Filing Status Changed: 11/12/2008
State Status Changed: 10/14/2008 Deemer Date:
Corresponding Filing Tracking Number:
Filing Description:
Nova Casualty Company (Nova) a member of the National Council on Compensation Insurance (NCCI) respectfully submits this filing to adopt the Catastrophe Provisions, Miscellaneous Values, Rules and Statistical codes as our own as approved in NCCI Filing Number Item # B-1407, effective September 1, 2008. This corresponds to approved NCCI

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Circular CIF-2008-07. All other rules and rating plans filed by Nova will remain unchanged.

We are also requesting for Department to waive the 30 days filing acknowledgment/approval requirement, since this matter was just brought to our attention.

Enclosed are the required state transmittal, applicable state exception pages and filing fee.

Company and Contact

Filing Contact Information

Carolyn White, Sr. Compliance Analyst cwhite@aixgroup.com
 2 Waterside Crossing (860) 683-5027 [Phone]
 Windson, CT 06095 (860) 683-5000[FAX]

Filing Company Information

Nova Casualty Company CoCode: 42552 State of Domicile: New York
 2 Waterside Crossing Group Code: Company Type: Property &
 Casualty
 Suite 400
 Windsor, CT 06095 Group Name: State ID Number:
 (860) 683-5029 ext. [Phone] FEIN Number: 16-1140177

Filing Fees

Fee Required? Yes
 Fee Amount: \$25.00
 Retaliatory? No
 Fee Explanation: The filing fee charge for NCCI rules adoption filing in the state of Arkansas is \$25.00.
 Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
Nova Casualty Company	\$25.00	10/14/2008	23166565

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Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Approved	Carol Stiffler	11/12/2008	11/12/2008
Approved	Carol Stiffler	10/14/2008	10/14/2008

Objection Letters and Response Letters

Objection Letters				Response Letters		
Status	Created By	Created On	Date Submitted	Responded By	Created On	Date Submitted
Pending Industry Response	Carol Stiffler	10/14/2008	10/14/2008	Carolyn White	10/14/2008	10/14/2008
Pending Industry Response	Carol Stiffler	10/14/2008	10/14/2008	Carolyn White	10/14/2008	10/14/2008

Amendments

Item	Schedule	Created By	Created On	Date Submitted
State Exception Pages	Rate	Carolyn White	11/10/2008	11/10/2008

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Disposition

Disposition Date: 11/12/2008

Effective Date (New): 09/01/2008

Effective Date (Renewal):

- Effective Date (New) changed from 11/01/2008 to 09/01/2008 by Stiffler, Carol on 11/12/2008.

Status: Approved

Comment: This filing was reopened to allow the company to correct an error. It is approved on the original approval date of 9/1/08.

Rate data does NOT apply to filing.

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Item Type	Item Name	Item Status	Public Access
Supporting Document	Uniform Transmittal Document-Property & Casualty	Approved	Yes
Supporting Document	NAIC Loss Cost Filing Document for Workers' Compensation	Approved	Yes
Supporting Document	NAIC loss cost data entry document	Approved	Yes
Rate (revised)	State Exception Pages	Approved	Yes
Rate	State Exception Pages	Withdrawn	No

SERFF Tracking Number: *AIXG-125856060* *State:* *Arkansas*
Filing Company: *Nova Casualty Company* *State Tracking Number:* *EFT \$25*
Company Tracking Number: *NCC-AR-WC-2008-194-RR*
TOI: *16.0 Workers Compensation* *Sub-TOI:* *16.0000 WC Sub-TOI Combinations*
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Disposition

Disposition Date: 10/14/2008

Effective Date (New): 09/01/2008

Effective Date (Renewal):

Status: Approved

Comment:

Rate data does NOT apply to filing.

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Objection Letter

Objection Letter Status Pending Industry Response
Objection Letter Date 10/14/2008
Submitted Date 10/14/2008
Respond By Date

Dear Carolyn White,

I have discussed this filing with my supervisor and he is allowing me to approve it retroactively to 9/1/08 as requested if the company has something in place to keep this from happening again. Please explain what is in place and I will approve the filing.

Please feel free to contact me if you have questions.

Sincerely,
Carol Stiffler

Response Letter

Response Letter Status Submitted to State
Response Letter Date 10/14/2008
Submitted Date 10/14/2008

Dear Carol Stiffler,

Comments:

Response 1

Comments: Thanks for your cooperation in approving this submission, effective 9/1/2008. To prevent such an oversight, we have an internal control filing tracking log in place - noting the filing statute requirement and the effective date of the filing.

Additionally, I have added a reminder in outlook for all forthcoming filings.

Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

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Objection Letter

Objection Letter Status Pending Industry Response

Objection Letter Date 10/14/2008

Submitted Date 10/14/2008

Respond By Date

Dear Carolyn White,

This will acknowledge receipt of the captioned filing. I cannot approve this retroactively to September 1 but I can approve it effective today or any future date you want. What date do you want on it?

Please feel free to contact me if you have questions.

Sincerely,

Carol Stiffler

Response Letter

Response Letter Status Submitted to State

Response Letter Date 10/14/2008

Submitted Date 10/14/2008

Dear Carol Stiffler,

Comments:

Response 1

Comments: Department has agreed to approved effective 9/1/2008 in second objection letter. I confirmed that we placed an internal tracking log in place to avoid future filing oversight.

Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

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Sincerely,
Carolyn White, Kathy Banes

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Amendment Letter

Amendment Date:
Submitted Date: 11/10/2008

Comments:

An error was discovered on the previously approved state manual exception page for the TRIPRA rate, in which included loss cost instead of the current approved LCM applied to the TRIPRA loss cost to produce the rate. Enclosed is the amended state exception page.

Changed Items:

Rate/Rule Schedule Item Changes:

Exhibit Name:	Rule # or Page #:	Rate Action:	Previous State Filing Numbers:	Attach Document:
State Exception Pages	NCC-WC-AR-1 thru NCC-WC-AR-3	Replacement		NCC-WC-AR 0908.pdf

SERFF Tracking Number: *AIXG-125856060* *State:* *Arkansas*
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Rate Information

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Rate/Rule Schedule

Review Status:	Exhibit Name:	Rule # or Page #:	Rate Action	Previous State Filing Attachments Number:
Approved	State Exception Pages	NCC-WC-AR-1 thru NCC-WC- AR-3	Replacement	NCC-WC-AR 0908.pdf

WORKERS COMPENSATION

STATE EXCEPTION PAGES

MISCELLANEOUS VALUES

I. Loss Cost Multiplier

The following loss cost multiplier will apply to the National Council on Compensation Insurance (NCCI) Advisory Loss Costs: **1.170**

II. Expense Constant - Rule 3-A-11 \$180.

III. Minimum Premiums - Rule 3-A-16

A. Minimum Premium Formula Use the loss costs (LC) from the state loss cost pages and the minimum premium multiplier (MPM), expense constant (EC) and loss cost multiplier (LCM) to determine the minimum premium as follows:

$$(LC) \times (LCM) \times (MPM) + (EC) = \text{Minimum Premium}$$

B. Minimum Premium Multiplier **165**

C. Maximum Minimum Premium The Maximum Minimum Premium for all classifications is **\$750.**

IV. Premium Discount - In accordance with Rule 3-A-19

Use the following Premium Discount Table - NCCI Table 9 - Stock Insurers

Premium Layer		
First	\$10,000	0.0%
Next	\$190,000	9.1%
Next	\$1,550,000	11.3%
Over	\$1,750,000	12.3%

WORKERS COMPENSATION
STATE EXCEPTION PAGES

MISCELLANEOUS VALUES (CONTINUED)

V. Catastrophe Provisions - In accordance with Rule 3-A-24

- b. Catastrophe (other than Certified Acts of Terrorism)

Premium for Catastrophe (other than Certified Acts of Terrorism) is calculated on the basis of payroll according to Rule 2. and multiplied by a rate of \$0.012.

- c. Terrorism

Premium for Terrorism is calculated on the basis of payroll according to Rule 2. and multiplied by a rate of \$0.012.

RETROSPECTIVE RATING VALUES

I. Expected Loss Ratios

Expected Loss Ratios	
Expected Loss Only	Expected Loss and Allocated Loss Adjustment Expense
.482	.530

II. Tax Multipliers

Tax Multipliers	
State (non -F classifications)	Federal Classes
1.101	1.169

WORKERS COMPENSATION

STATE EXCEPTION PAGES

ADDITIONAL RULES

I. Tiered Rating Plan

A. Application of the Plan

Each risk will be assigned to one of three tiers based on an assessment of the risk according to the following criteria:

1. Loss History
2. Safety Program
3. Standard Premium

B. Scoring

1. The following scoring will be applied:

Loss Ratio		Safety Program		Standard Premium		
%	Score	Quality	Score	Greater	but Less	Score
0%-15%	6	Excellent	10	\$100K		6
15%-25%	5	Very Good	9	\$35K	\$100K	5
26%-40%	4	Good	8	\$15K	\$35K	3
41 %-55%	3	Above Average	7	\$7.5K	\$15K	2
56%-80%	1	Average	3	\$5K	\$7.5K	1
> 80%	0	Below Average	-5		\$5K	0

Table 1.B.

2. Large Losses - For the purposes of determining the loss ratio, single large losses will be capped at \$50,000 total incurred cost (i.e. one loss only).

C. Assignment to Tiers

1. Based on the score as determined in Table I.B. above, each risk will be assigned to the tier indicated in Table I.C. below.
2. Multiply the standard premium before the application of any schedule or experience rating plan modification by the factor from Table I.C. corresponding to the assigned tier.

Tier	Score	Factor
Preferred	16 - 22	0.85
Standard	9 - 15	1.00
Sub-Standard	< 8	1.15

Table I.C.

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Supporting Document Schedules

Satisfied -Name: Uniform Transmittal Document-
Property & Casualty **Review Status:** Approved 10/14/2008

Comments:

Attachment:

PCtransDoc-TRIPRA Rules Eff 090108.pdf

Bypassed -Name: NAIC Loss Cost Filing Document
for Workers' Compensation **Review Status:** Approved 10/14/2008

Bypass Reason: This filing document is not applicable for this submission is a NCCI Rules Adoption.

Comments:

Bypassed -Name: NAIC loss cost data entry document **Review Status:** Approved 10/14/2008

Bypass Reason: This filing document is not applicable for this submission is a NCCI Rules Adoption.

Comments:

Property & Casualty Transmittal Document

1. Reserved for Insurance Dept. Use Only	2. Insurance Department Use only a. Date the filing is received: b. Analyst: c. Disposition: d. Date of disposition of the filing: e. Effective date of filing: New Business Renewal Business f. State Filing #: g. SERFF Filing #: h. Subject Codes
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3. Group Name	Group NAIC #

4. Company Name(s)	Domicile	NAIC #	FEIN #	State #

5. Company Tracking Number	
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Contact Info of Filer(s) or Corporate Officer(s) [include toll-free number]

6.	Name and address	Title	Telephone #s	FAX #	e-mail

7. Signature of authorized filer	
8. Please print name of authorized filer	

Filing information (see General Instructions for descriptions of these fields)

9. Type of Insurance (TOI)	
10. Sub-Type of Insurance (Sub-TOI)	
11. State Specific Product code(s)(if applicable)[See State Specific Requirements]	
12. Company Program Title (Marketing title)	
13. Filing Type	<input type="checkbox"/> Rate/Loss Cost <input type="checkbox"/> Rules <input type="checkbox"/> Rates/Rules <input type="checkbox"/> Forms <input type="checkbox"/> Combination Rates/Rules/Forms <input type="checkbox"/> Withdrawal <input type="checkbox"/> Other (give description)
14. Effective Date(s) Requested	New: <input type="text"/> Renewal: <input type="text"/>
15. Reference Filing?	<input type="checkbox"/> Yes <input type="checkbox"/> No
16. Reference Organization (if applicable)	
17. Reference Organization # & Title	
18. Company's Date of Filing	
19. Status of filing in domicile	<input type="checkbox"/> Not Filed <input type="checkbox"/> Pending <input type="checkbox"/> Authorized <input type="checkbox"/> Disapproved

Property & Casualty Transmittal Document—

20. This filing transmittal is part of Company Tracking #

21. Filing Description [This area can be used in lieu of a cover letter or filing memorandum and is free-form text]

22. Filing Fees (Filer must provide check # and fee amount if applicable)
[If a state requires you to show how you calculated your filing fees, place that calculation below]

Check #:
Amount:

Refer to each state's checklist for additional state specific requirements or instructions on calculating fees.

***Refer to the each state's checklist for additional state specific requirements (i.e. # of additional copies required, other state specific forms, etc.)

PC TD-1 pg 2 of 2

RATE/RULE FILING SCHEDULE

(This form must be provided ONLY when making a filing that includes rate-related items such as Rate; Rule; Rate & Rule; Reference; Loss Cost; Loss Cost & Rule or Rate, etc.)

(Do not refer to the body of the filing for the component/exhibit listing, unless allowed by state.)

1.	This filing transmittal is part of Company Tracking #	
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2.	This filing corresponds to form filing number (Company tracking number of form filing, if applicable)	
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Rate Increase
 Rate Decrease
 Rate Neutral (0%)

3.	Filing Method (Prior Approval, File & Use, Flex Band, etc.)	
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4a.	Rate Change by Company (As Proposed)
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Company Name	Overall % Indicated Change (when applicable)	Overall % Rate Impact	Written premium change for this program	# of policyholders affected for this program	Written premium for this program	Maximum % Change (where required)	Minimum % Change (where required)

4b.	Rate Change by Company (As Accepted) For State Use Only
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Company Name	Overall % Indicated Change (when applicable)	Overall % Rate Impact	Written premium change for this program	# of policyholders affected for this program	Written premium for this program	Maximum % Change	Minimum % Change

5.	Overall Rate Information (Complete for Multiple Company Filings only)
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		COMPANY USE	STATE USE
5a	Overall percentage rate indication (when applicable)		
5b	Overall percentage rate impact for this filing		
5c	Effect of Rate Filing – Written premium change for this program		
5d	Effect of Rate Filing – Number of policyholders affected		

6.	Overall percentage of last rate revision	
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7.	Effective Date of last rate revision	
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8.	Filing Method of Last filing (Prior Approval, File & Use, Flex Band, etc.)	
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9.	Rule # or Page # Submitted for Review	Replacement or withdrawn?	Previous state filing number, if required by state
01		<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	
02		<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	
03		<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	