

SERFF Tracking Number: CNNA-125523676 State: Arkansas
Filing Company: The Cincinnati Insurance Company State Tracking Number: EFT \$50
Company Tracking Number: CPRO-08-6008-AR
TOI: 17.0 Other Liability - Claims Made/Occurrence Sub-TOI: 17.0000 Other Liability Sub-TOI Combinations
Product Name: CPRO-08-6008-AR
Project Name/Number: /

Filing at a Glance

Company: The Cincinnati Insurance Company

Product Name: CPRO-08-6008-AR

TOI: 17.0 Other Liability - Claims

Made/Occurrence

Sub-TOI: 17.0000 Other Liability Sub-TOI

Combinations

Filing Type: Rate/Rule

SERFF Tr Num: CNNA-125523676 State: Arkansas

SERFF Status: Closed

State Tr Num: EFT \$50

Co Tr Num: CPRO-08-6008-AR

Co Status:

Author: Sharon Grubbs

Date Submitted: 03/05/2008

State Status: Fees verified and received

Reviewer(s): Betty Montesi, Edith Roberts, Brittany Yielding

Disposition Date: 03/19/2008

Disposition Status: Filed

Effective Date (New):

Effective Date (Renewal):

Effective Date Requested (New): 09/01/2008

Effective Date Requested (Renewal):

State Filing Description:

General Information

Project Name:

Project Number:

Reference Organization:

Reference Title:

Filing Status Changed: 03/19/2008

State Status Changed: 03/19/2008

Corresponding Filing Tracking Number:

Filing Description:

At this time, we wish to file manual page(s) per the attached memorandum.

Final copies are attached for your review.

Filing fees will be sent through the Electronic Filing Fee System as a (EFT) filing.

Status of Filing in Domicile: Pending

Domicile Status Comments:

Reference Number:

Advisory Org. Circular:

Deemer Date:

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Please be advised that we work on a 90-days-in-advance schedule. As a result, we would appreciate your approval by June 1, 2008, for the software to be mailed to our agents on July 1, 2008, for the effective date of September 1, 2008.

Your approval is respectfully requested for use on policies effective on or after September 1, 2008.

Company and Contact

Filing Contact Information

Sharon Grubbs, Senior Filings Analyst sharon_grubbs@cinfin.com
 6200 S. Gilmore Road (513) 870-2091 [Phone]
 Fairfield, OH 45014

Filing Company Information

The Cincinnati Insurance Company CoCode: 10677 State of Domicile: Ohio
 6200 S. Gilmore Road Group Code: 244 Company Type:
 Fairfield, OH 45014 Group Name: State ID Number:
 (513) 870-2000 ext. [Phone] FEIN Number: 31-0542366

Filing Fees

Fee Required? Yes
 Fee Amount: \$50.00
 Retaliatory? Yes
 Fee Explanation:
 Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
The Cincinnati Insurance Company	\$50.00	03/05/2008	18346588

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Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Filed	Edith Roberts	03/19/2008	03/19/2008

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Disposition

Disposition Date: 03/19/2008

Effective Date (New):

Effective Date (Renewal):

Status: Filed

Comment:

Rate data does NOT apply to filing.

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Item Type	Item Name	Item Status	Public Access
Supporting Document	PROPERTY AND CASUALTY TRANSMITTAL	Filed	Yes
Supporting Document	RULE/RATE FILING SCHEDULE	Filed	Yes
Supporting Document	MEMORANDUM AND EXPLANATION	Filed	Yes
Rate	PROFESSIONAL LIABILITY	Filed	Yes

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Rate Information

Rate data does NOT apply to filing.

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Rate/Rule Schedule

Review Status:	Exhibit Name:	Rule # or Page #:	Rate Action	Previous State Filing Attachments Number:
Filed	PROFESSIONAL LIABILITY	RULE1. MEDICAL INSTITUTION PROFESSIONAL LIABILITY COVERAGE	New	AR PRO 09-08 DD.pdf

THE CINCINNATI INSURANCE COMPANIES

DIVISION SEVEN COMMERCIAL LINES PROFESSIONAL LIABILITY MANUAL COVERAGE RULES

1. MEDICAL INSTITUTION PROFESSIONAL LIABILITY COVERAGE (Subline Code 215) (Cont'd)

4. Prior Acts Coverage

For Prior Acts Coverage, refer to Rule **50.B.** with the following amendments and additions:

The indicated factors are applied to the gross Cincinnati Insurance Companies' occurrence premium, and except for expense modification and the following rate plan, the premium for this coverage is not subject to any further modification or rate plan.

- | | |
|---|-----|
| a. Above average staffing for the past three years | .80 |
| b. Below average health and fire deficiencies for the past three years | .80 |
| c. No major health deficiencies for the past three years | .90 |
| d. A documented incident reporting program in place at least three years | .80 |
| e. No paid claims or suits brought in the past five years | .90 |
| f. No known circumstances, acts, errors or omissions that could result in a claim | .90 |

Failure to meet any of the above criteria may result in declination for Prior Acts Coverage.

THE CINCINNATI INSURANCE COMPANIES

DIVISION SEVEN COMMERCIAL LINES PROFESSIONAL LIABILITY MANUAL COVERAGE RULES

1. MEDICAL INSTITUTION PROFESSIONAL LIABILITY COVERAGE (Subline Code 215) (Cont'd)

E. Rate Modification Plan

1. General Rules

- a. The rating plans in Rule 51. apply to the extent they are in addition to or not changed by the following rules.
- b. All credit and debit plans apply to each location / facility individually.

2. Management Practices Rating Plan

a. Facilities with Skilled Nursing Care

Modifications are based on deficiencies published from annual government survey reports over up to four years immediately preceding the effective date of the current policy term and compared to state averages.

b. Assisted Living Only Facilities

Modifications are based on deficiencies published from annual government survey reports over up to four years immediately preceding the effective date of the current policy term and compared to state skilled nursing care averages.

c. Quality of Care (Health) and Life Safety (Fire) Deficiencies

No years above average*	10% credit
No more than one year above average*	5% credit
Two years above average	5% debit
Over two years above average	15% debit

* No deficiencies with a "level of harm" rating over level 2 (Medicare.gov) or grade J or above (OSCAR). Any risk with deficiencies above these levels may also be declined or nonrenewed.

d. Staffing

For facilities with skilled care, modifications are based on the most recent annual government survey report of nursing staff hours per resident per day.

Total hours 30+ minutes greater than state average	10% credit
Total hours 30+ minutes below state average	10% debit

3. Experience Rating Plan (Refer to the Experience Rating Plan in Rule 51. The following Experience Credit is in addition to and the following Experience Debit replaces that plan. All else remains unchanged.)

a. Experience Credit

0 losses	10% credit
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b. Experience Debit*

1 loss	10% debit
2 losses	20% debit
3+ losses	35% debit

* A chargeable loss is defined as a paid loss or a reserve for a claim which the underwriter deems there is probable negligence involved and a loss payment is likely. Any risk that qualifies for an experience debit may also be declined or nonrenewed.

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Supporting Document Schedules

Satisfied -Name: PROPERTY AND CASUALTY
TRANSMITTAL **Review Status:** Filed 03/19/2008

Comments:
PROPERTY AND CASUALTY TRANSMITTAL

Attachment:
F777AR_307.pdf

Satisfied -Name: RULE/RATE FILING SCHEDULE **Review Status:** Filed 03/19/2008

Comments:
RULE/RATE FILING SCHEDULE

Attachment:
F779AR_.pdf

Satisfied -Name: MEMORANDUM AND
EXPLANATION **Review Status:** Filed 03/19/2008

Comments:
MEMORANDUM AND EXPLANATION

Attachments:
MEMOF.pdf
Explanation of changes.pdf

Property & Casualty Transmittal Document—

20.	This filing transmittal is part of Company Tracking #	CPRO-08-6008-AR
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21.	Filing Description [This area can be used in lieu of a cover letter or filing memorandum and is free-form text]
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See Memorandum

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]
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Check #: EFT FILING
Amount: \$50

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.)**

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 #	CPRO-08-6008-AR
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2.	This filing corresponds to form filing number (Company tracking number of form filing, if applicable)	N/A
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Rate Increase Rate Decrease Rate Neutral (0%)

3.	Filing Method (Prior Approval, File & Use, Flex Band, etc.)	File & Use
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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)
The Cincinnati Insurance Company	0%	0%	\$0	0	\$2,241	0%	0%

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 (where required)	Minimum % Change (where required)

Overall Rate Information (Complete for Multiple Company Filings only)

		COMPANY USE	STATE USE
5a.	Overall percentage rate indication (when applicable)	0%	
5b.	Overall percentage rate impact for this filing	0%	
5c.	Effect of Rate Filing – Written premium change for this program	\$0	
5d.	Effect of Rate Filing – Number of policyholders affected	0	

6.	Overall percentage of last rate revision	N/A
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7.	Effective Date of last rate revision	N/A
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8.	Filing Method of Last filing (Prior Approval, File & Use, Flex Band, etc.)	File & Use
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9.	Rule # or Page # Submitted for Review	Replacement or Withdrawn?	Previous state filing number, if required by state
01	RULE 1. MEDICAL INSTITUTION PROFESSIONAL LIABILITY COVERAGE	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	N/A
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	

**ARKANSAS
DIVISION SEVEN - PROFESSIONAL LIABILITY
RULES AND RATES MEMORANDUM**

NEW PAGE	OLD PAGE	DESCRIPTION OF CHANGE
PL-4.3 (9/08)	-----	Rule 1.D.4. Prior Acts Coverage Added a Prior Acts Coverage exception to rule 50.B.
PL-4.4 (9/08)	-----	Rule 1.E. Added a Rate Modification Plan.

Send the following explanation to the DOI's only. No need to include it in the memorandum.

Rule 1.D.4. Prior Acts Coverage

Added a Prior Acts Coverage exception to rule 50.B.

We write coverage for hospitals and nursing homes only on an occurrence form. Most companies write this coverage on a claims-made form. Due to the high cost of Prior Acts Coverage, (a coverage that is needed when changing from claims-made to occurrence), we are currently competitive only on risks that are new ventures or risks that are already on occurrence forms. The proposed rule includes a risk-based credit structure for Prior Acts Coverage that will allow us to be competitive on all risks.

Rule 1.E.

Added a Rate Modification Plan.

The proposed rule includes a risk-based credit/debit structure (based on annual government survey reports) that will allow us to be competitive on all risks.

The proposed rules also include the introduction of an Experience Credit and the reduction of Experience Debits, which is an exception to the Experience Rating Plan in rule 51.