

SERFF Tracking Number: WESA-125607647 State: Arkansas
Filing Company: Dallas National Insurance Company State Tracking Number: #? \$100
Company Tracking Number: DNIC-08-005
TOI: 16.0 Workers Compensation Sub-TOI: 16.0004 Standard WC
Product Name: Workers Compensation Product
Project Name/Number: Revised Rating Rule Submission/DNIC-08-005

Filing at a Glance

Company: Dallas National Insurance Company

Product Name: Workers Compensation Product SERFF Tr Num: WESA-125607647 State: Arkansas

TOI: 16.0 Workers Compensation

SERFF Status: Closed

State Tr Num: #? \$100

Sub-TOI: 16.0004 Standard WC

Co Tr Num: DNIC-08-005

State Status: Fees verified and received

Filing Type: Rate/Rule

Co Status:

Reviewer(s): Betty Montesi, Carol Stiffler, Brittany Yielding

Authors: Westmont Associates, Wesley Pohler

Disposition Date: 04/23/2008

Date Submitted: 04/22/2008

Disposition Status: Approved

Effective Date Requested (New): On Approval

Effective Date (New): 04/23/2008

Effective Date Requested (Renewal): On Approval

Effective Date (Renewal):

State Filing Description:

General Information

Project Name: Revised Rating Rule Submission

Status of Filing in Domicile: Not Filed

Project Number: DNIC-08-005

Domicile Status Comments: Not applicable - not made in Texas

Reference Organization: None

Reference Number: None

Reference Title: None

Advisory Org. Circular: None

Filing Status Changed: 04/23/2008

State Status Changed: 04/22/2008

Deemer Date:

Corresponding Filing Tracking Number:

Filing Description:

Submission of updated Workers' Compensation rating rules. Please refer to our cover letter for additional information

Company and Contact

Filing Contact Information

SERFF Tracking Number: WESA-125607647 State: Arkansas
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TOI: 16.0 Workers Compensation Sub-TOI: 16.0004 Standard WC
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Project Name/Number: Revised Rating Rule Submission/DNIC-08-005

(This filing was made by a third party - westmontassociatesinc)

Wesley Pohler, AVP wes@westmontlaw.com
25 Chestnut Street (856) 216-0220 [Phone]
Haddonfield, NJ 08033 (856) 216-0303[FAX]

Filing Company Information

Dallas National Insurance Company CoCode: 32271 State of Domicile: Texas
14160 Dallas Parkway Group Code: Company Type:
Suite 500
Dallas, TX 75254 Group Name: State ID Number:
(800) 533-0457 ext. [Phone] FEIN Number: 95-4139154

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Filing Fees

Fee Required? Yes
Fee Amount: \$100.00
Retaliatory? No
Fee Explanation: AR Fee
Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
Dallas National Insurance Company	\$0.00	04/22/2008	

CHECK NUMBER	CHECK AMOUNT	CHECK DATE
28045	\$100.00	04/14/2008

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Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Approved	Carol Stiffler	04/23/2008	04/23/2008

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	04/22/2008	04/22/2008	Westmont Associates	04/22/2008	04/22/2008

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Disposition

Disposition Date: 04/23/2008

Effective Date (New): 04/23/2008

Effective Date (Renewal):

Status: Approved

Comment:

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
Supporting Document	Letter of Authorization	Approved	Yes
Supporting Document	Cover Letter	Approved	Yes
Rate	Workers' Compensation Exception Page	Approved	Yes
Rate (revised)	Arkansas Schedule Rating Plan	Approved	Yes
Rate	Arkansas Schedule Rating Plan	Withdrawn	No

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Objection Letter

Objection Letter Status Pending Industry Response
Objection Letter Date 04/22/2008
Submitted Date 04/22/2008
Respond By Date

Dear Wesley Pohler,

This will acknowledge receipt of the captioned filing.

Objection 1

- Arkansas Schedule Rating Plan (Rate)

Comment: Bulletin 7-96 (attached) does not allow a workers' compensation schedule rating plan to exceed +/-25%. Please amend the schedule rating plan to comply with this bulletin.

Please feel free to contact me if you have questions.

Sincerely,
Carol Stiffler



**ARKANSAS INSURANCE DEPARTMENT
LEGAL DIVISION**

1200 West Third Street
Little Rock, AR 72201-1904
501-371-2820
FAX 501-371-2629

Bulletin 7-97

May 9, 1997

**MANDATORY REPORTING OF SUSPECTED INSURANCE FRAUD,
FRAUD WARNINGS, ANTIFRAUD INITIATIVES AND
DISQUALIFICATIONS REQUIRED BY ACT 217 OF 1997**

On August 1, 1997, Act 217 of 1997 (A.C.A. §23-66-501, *et seq.*) will go into effect. Act 217 established the Insurance Fraud Investigation Division, strengthened the fraud provisions of the Arkansas Insurance Code, and placed several affirmative responsibilities on all insurers operating in Arkansas.

**MANDATORY REPORTING OF FRAUDULENT
INSURANCE ACTS**

A.C.A §23-66-503 requires that applications for insurance, claim forms, proofs of loss, or any similar documents (except in regard to reinsurance), shall contain a fraud warning substantially similar to the one cited in the statute. All insurers shall have until February 1, 1998, to comply with this requirement.

INSURER ANTIFRAUD INITIATIVES

A.C.A §23-66-510 requires all insurers to have antifraud initiatives reasonably calculated to detect, prosecute and prevent fraudulent insurance acts. In the near future, rules and regulations will be promulgated which will provide guidelines for meeting the antifraud initiatives. An exemption from this provision may be granted if not detrimental to the interests of the public.

**DISQUALIFICATION FROM PARTICIPATING IN THE
BUSINESS OF INSURANCE**

A.C.A. §§23-66-502 and 23-66-512 disqualify persons convicted of a felony involving dishonest, breach of trust or a fraudulent insurance act from participating in the business of insurance. It will also be a felony to knowingly or intentionally permit a person convicted of such an offense to participate in the business of insurance. There are no waivers available under these provisions.

It is strongly recommended that all insurers become thoroughly familiar with Act 217 not only to make sure they are in compliance with its provisions but to more effectively assist in the state's antifraud efforts.

Inquiries concerning Act 217 should be directed to the Insurance Fraud Investigation Division at (501) 371-2790.

Mike Pickens
INSURANCE COMMISSIONER

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Response Letter

Response Letter Status Submitted to State
Response Letter Date 04/22/2008
Submitted Date 04/22/2008

Dear Carol Stiffler,

Comments:

Response 1

Comments: Thank you - attached is a revised rating plan.

Related Objection 1

Applies To:

- Arkansas Schedule Rating Plan (Rate)

Comment:

Bulletin 7-96 (attached) does not allow a workers' compensation schedule rating plan to exceed +/-25%. Please amend the schedule rating plan to comply with this bulletin.

Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

Rate/Rule Schedule Item Changes

Exhibit Name	Rule # or Page #	Rate Action	Previous State Filing #
Arkansas Schedule Rating Plan	Page 1 of 1	New	
Previous Version			
Arkansas Schedule Rating Plan	Page 1 of 1	New	

Sincerely,
Wesley Pohler, Westmont Associates

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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:
Approved	Workers' Compensation Exception Page	Page 1 of 1	New	EXP Constant_Policy Min.pdf
Approved	Arkansas Schedule Rating Plan	Page 1 of 1	New	AR Schedule Rating Plan.pdf

DALLAS NATIONAL INSURANCE COMPANY

Workers' Compensation Expense Constant Policy Minimum Premium

I. Expense Constant

The expense constant is a premium charge that is applied to every policy regardless of premium size. The expense constant offsets those expenses usually incurred with the issuing, recording and auditing the policy. The policy expense constant will be included on the policy declaration page.

The expense constant for the Company will be \$280 per policy.

II. Policy Minimum Premium

Minimum premium is the lowest premium that is required in order to provide insurance coverage under the standard policy.

The policy minimum premium for the Company will be \$1,500 per policy.

DALLAS NATIONAL INSURANCE COMPANY
Arkansas - Schedule Rating Worksheet

Insured Name: _____

Policy Number: _____

Subject to a maximum modification of 25% credit/debit, the premium for a risk may be modified in accordance with the following schedule Rating Plan to reflect characteristics of the risk that are not reflected in its experience.

Schedule Rating Table

	<u>Range of Modifications</u>		<u>Actual Risk Modification</u>	
	<u>Credit</u>	<u>Debit</u>	<u>Credit</u>	<u>Debit</u>
Premises - Physical condition, preventable maintenance, hazards controlled, housekeeping. Comments:	10%	10%		
Classification Peculiarities - Where it can be demonstrated that certain hazards peculiar to a classification have been estimated to some degree or do not exist so that the classification normally assigned to the insured does not completely apply, or conversely, the classification normally assigned to the insured does not consider certain hazards peculiar to the insured. Comments:	10%	10%		
Medical Facilities - First aid medical assistance, emergency or disaster plans, return-to-work program, alcohol or substance abuse programs. Industrial hygiene and ergonomics, health insurance provided. Comments:	5%	5%		
Safety Devices - Devices provided and employees given instructions how to use. Comments:	5%	5%		
Employees Selection, Training, Supervision - Prospective employees are screened with respect to aptitude and ability, pre-employment physicals and drug testing. Training regular periodic training provided and documented. Comments:	-10%	10%		
Management - Cooperation with insurer. Comments:	5%	5%		
Management Safety Organization - Written safety program, Safety Director, accident investigation and analysis, record keeping, safety committee organization and effectiveness. Safety meetings, distribution of literature. Comments:	5%	5%		

Additional Comments:

Total Credit or Debit
(CANNOT EXCEED +/- 25%)

Underwriter and Date

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Supporting Document Schedules

Satisfied -Name: Uniform Transmittal Document-Property & Casualty
Review Status: Approved 04/23/2008

Comments:

Attached are the AR NAIC Forms.

Attachment:

AR NAIC Forms.pdf

Bypassed -Name: NAIC Loss Cost Filing Document for Workers' Compensation
Review Status: Approved 04/23/2008

Bypass Reason: N/A

Comments:

Bypassed -Name: NAIC loss cost data entry document
Review Status: Approved 04/23/2008

Bypass Reason: N/a

Comments:

Satisfied -Name: Letter of Authorization
Review Status: Approved 04/23/2008

Comments:

Attached is the letter of authorization.

Attachment:

Letter of Auth 2008.pdf

Satisfied -Name: Cover Letter
Review Status: Approved 04/23/2008

Comments:

Attached is the Company's cover letter for this filing.

Attachment:

Corrected Cover Letter.pdf

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]

[View Complete Filing Description](#)

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.)

FORM FILING SCHEDULE

(This form must be provided **ONLY** when making a filing that includes forms)
 (Do **not** refer to the body of the filing for the forms listing, unless allowed by state.)

1.	This filing transmittal is part of Company Tracking #	
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2.	This filing corresponds to rate/rule filing number (Company tracking number of rate/rule filing, if applicable)	
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3.	Form Name /Description/Synopsis	Form # Include edition date	Replacement Or withdrawn?	If replacement, give form # it replaces	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		
04			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
05			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
06			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
07			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
08			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
09			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
10			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		

PC FFS-1

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 #	DNIC-08-005
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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.)	
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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)
-----------	--

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

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.)	N/A
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9.	Rule # or Page # Submitted for Review	Replacement or withdrawn?	Previous state filing number, if required by state
01		<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	



January 18, 2008

RE: Dallas National Insurance Company
NAIC # 32271
FEIN: 95-4139154
Letter of Authorization for Filing of Forms, Rates and Rules

In accordance with the applicable statutes and regulations of your state, Nancy Stepanski, Wesley Pohler and Jennifer Waldron of **Westmont Associates, Inc.**, are hereby authorized to file form, rate and rule filings on behalf of Dallas National Insurance Company.

Sincerely,

A handwritten signature in black ink, appearing to read "Gail A. Lane".

Gail A. Lane, Esq.
Corporate Secretary and Director of Compliance



WESTMONT ASSOCIATES, INC.

April 15, 2008

Department of Insurance
Property and Casualty Division
Workers' Compensation Review Section

**RE: Dallas National Insurance Company
NAIC #: 32271/ FEIN #: 95-4139154
Workers Compensation
Submission of Schedule Rating Plan, Policy Expense Constant and Minimum Premium
Rating Rules
Company Filing #: DNIC-08-005
Effective Date: Upon Earliest Possible Approval**

Dear Commissioner Wilson:

Enclosed please find the Company's Workers Compensation Rating Rule Addenda filing submission. A letter permitting Westmont Associates, Inc. to file on behalf of the Company is enclosed for your review.

The Company is filing to introduce the following rules for its currently filed and approved Workers' Compensation product:

- Workers' Compensation Schedule Rating Plan
- Policy Expense Constant of \$280
- Minimum Premium of \$1,500

Please refer to the attached schedule rating plan and rule exception page for additional information.

If you have any questions or concerns regarding this filing, please do not hesitate to contact me at (856) 216-0220. Thank you in advance for your attention to this matter.

Respectfully Submitted,

Wesley Pohler

Wesley Pohler
Assistant Vice-President
wes@westmontlaw.com

Enc.

Cc: L. McGregor - DNIC