

SERFF Tracking Number: ACEH-125591750 State: Arkansas
First Filing Company: ACE American Insurance Company, ... State Tracking Number: EFT \$100
Company Tracking Number: 08-WC-2007624
TOI: 16.0 Workers Compensation Sub-TOI: 16.0004 Standard WC
Product Name: 08-WC-2007624
Project Name/Number: WC Large Risk Rating Plan/08-WC-2007624

Filing at a Glance

Companies: ACE American Insurance Company, ACE Fire Underwriters Insurance Company, ACE Property & Casualty Insurance Company, Bankers Standard Insurance Company, Indemnity Insurance Company of North America, Pacific Employers Insurance Company

Product Name: 08-WC-2007624	SERFF Tr Num: ACEH-125591750	State: Arkansas
TOI: 16.0 Workers Compensation	SERFF Status: Closed	State Tr Num: EFT \$100
Sub-TOI: 16.0004 Standard WC	Co Tr Num: 08-WC-2007624	State Status: Fees verified and received
Filing Type: Rate/Rule	Co Status:	Reviewer(s): Betty Montesi, Carol Stiffler, Brittany Yielding
	Authors: Connie McFarlane, Linda Thomas, Renice Cox, Viola McBride, Steve Kreider	Disposition Date: 05/20/2008
	Date Submitted: 04/02/2008	Disposition Status: Approved
Effective Date Requested (New): 05/01/2008		Effective Date (New): 05/20/2008
Effective Date Requested (Renewal): 05/01/2008		Effective Date (Renewal):

State Filing Description:

General Information

Project Name: WC Large Risk Rating Plan	Status of Filing in Domicile: Not Filed
Project Number: 08-WC-2007624	Domicile Status Comments:
Reference Organization:	Reference Number:
Reference Title:	Advisory Org. Circular:
Filing Status Changed: 05/20/2008	
State Status Changed: 04/03/2008	Deemer Date:
Corresponding Filing Tracking Number:	
Filing Description:	
This Plan is a loss-sensitive and cost-sensitive individual risk rating plan for sizable risks.	

Under the Plan, the Company creates a countrywide casualty program that meets the risk-financing needs of the Insured. Programs structured under this plan may contain various combinations of deductibles, self-insured retentions,

<i>SERFF Tracking Number:</i>	<i>ACEH-125591750</i>	<i>State:</i>	<i>Arkansas</i>
<i>First Filing Company:</i>	<i>ACE American Insurance Company, ...</i>	<i>State Tracking Number:</i>	<i>EFT \$100</i>
<i>Company Tracking Number:</i>	<i>08-WC-2007624</i>		
<i>TOI:</i>	<i>16.0 Workers Compensation</i>	<i>Sub-TOI:</i>	<i>16.0004 Standard WC</i>
<i>Product Name:</i>	<i>08-WC-2007624</i>		
<i>Project Name/Number:</i>	<i>WC Large Risk Rating Plan/08-WC-2007624</i>		

and loss reimbursements as well as elements of retrospective rating, schedule rating, pure risk-transfer, finite (aggregate insurance up to a limit) and/or excess of aggregate insurance (aggregate insurance excess of a limit).

The Plan adjusts the premium, for the insurance to which it applies, to reflect the insured's own loss experience on a per occurrence, per claim, or per accident basis and, optionally, on an aggregate basis as well as the Company's costs and actual expenses in providing the program and associated risk management services. Where an insured contracts with a party other than the Company for any such services, the Company's expense elements in the premium will be adjusted accordingly.

The Plan provides an incentive to the insured to control losses and reduce accidents. To the extent that the insured succeeds in controlling losses to an amount less than that contemplated in the Standard Premium, there is a reward through lower risk-financing costs, including insurance premiums.

The Plan also dispels any concern the insured may have that its costs depend solely upon losses incurred by other Insureds.

Company and Contact

Filing Contact Information

Viola McBride, Filing Technician	viola.mcbride@ace-ina.com
436 Walnut Street	(215) 640-5238 [Phone]
Philadelphia, PA 19106	(215) 640-4986[FAX]

Filing Company Information

ACE American Insurance Company	CoCode: 22667	State of Domicile: Pennsylvania
PO Box 1000	Group Code: 626	Company Type:
436 Walnut Street		
Philadelphia, PA 19106	Group Name:	State ID Number:
(215) 640-5123 ext. [Phone]	FEIN Number: 95-2371728	

ACE Fire Underwriters Insurance Company	CoCode: 20702	State of Domicile: Pennsylvania
PO Box 1000	Group Code: 626	Company Type:
436 Walnut Street		

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Philadelphia, PA 19106 Group Name: State ID Number:
(215) 640-5123 ext. [Phone] FEIN Number: 06-6032187

ACE Property & Casualty Insurance Company CoCode: 20699 State of Domicile: Pennsylvania
PO Box 1000 Group Code: 626 Company Type:

436 Walnut Street
Philadelphia, PA 19106 Group Name: State ID Number:
(215) 640-5123 ext. [Phone] FEIN Number: 06-0237820

Bankers Standard Insurance Company CoCode: 18279 State of Domicile: Pennsylvania
PO Box 1000 Group Code: 626 Company Type:

436 Walnut Street
Philadelphia, PA 19106 Group Name: State ID Number:
(215) 640-5123 ext. [Phone] FEIN Number: 59-1320184

Indemnity Insurance Company of North America CoCode: 43575 State of Domicile: Pennsylvania

PO Box 1000 Group Code: 626 Company Type:
436 Walnut Street
Philadelphia, PA 19106 Group Name: State ID Number:
(215) 640-5123 ext. [Phone] FEIN Number: 06-1016108

Pacific Employers Insurance Company CoCode: 22748 State of Domicile: Pennsylvania
PO Box 1000 Group Code: 626 Company Type:

436 Walnut Street
Philadelphia, PA 19106 Group Name: State ID Number:
(215) 640-5123 ext. [Phone] FEIN Number: 95-1077060

SERFF Tracking Number: ACEH-125591750 State: Arkansas
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Filing Fees

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

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
ACE American Insurance Company	\$100.00	04/02/2008	19215832
ACE Fire Underwriters Insurance Company	\$0.00	04/02/2008	
ACE Property & Casualty Insurance Company	\$0.00	04/02/2008	
Bankers Standard Insurance Company	\$0.00	04/02/2008	
Indemnity Insurance Company of North America	\$0.00	04/02/2008	
Pacific Employers Insurance Company	\$0.00	04/02/2008	

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Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Approved	Carol Stiffler	05/20/2008	05/20/2008

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	04/17/2008	04/17/2008	Viola McBride	05/20/2008	05/20/2008
Pending Industry Response	Carol Stiffler	04/15/2008	04/15/2008	Linda Thomas	04/17/2008	04/17/2008
Pending Industry Response	Carol Stiffler	04/10/2008	04/10/2008	Linda Thomas	04/15/2008	04/15/2008
Pending Industry Response	Carol Stiffler	04/03/2008	04/03/2008	Linda Thomas	04/10/2008	04/10/2008
No response necessary	Carol Stiffler	04/03/2008	04/03/2008	Linda Thomas	04/15/2008	04/15/2008

Filing Notes

Subject	Note Type	Created By	Created On	Date Submitted
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Waiver of review time period	Note To Filer	Carol Stiffler	05/14/2008 05/14/2008
Waiver of Review Period	Note To Reviewer	Viola McBride	05/14/2008 05/14/2008
ACEH-125591750 status	Note To Filer	Carol Stiffler	05/13/2008 05/13/2008

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Disposition

Disposition Date: 05/20/2008

Effective Date (New): 05/20/2008

Effective Date (Renewal):

Status: Approved

Comment: I am approving this filing to be effective on this date, May 20, 2008. I cannot approve it on the requested date of 5/1/08. If you wish to change the effective date from today to a future date, please let me know what date you want.

Rate data does NOT apply to filing.

Overall Rate Information for Multiple Company Filings

Overall Percentage Rate Indicated For This Filing	0.000%
Overall Percentage Rate Impact For This Filing	0.000%
Effect of Rate Filing-Written Premium Change For This Program	\$0
Effect of Rate Filing - Number of Policyholders Affected	0

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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 (revised)	Large Risk Rating Plan	Approved	Yes
Supporting Document	File Memo	Withdrawn	No
Rate (revised)	Rates and Rating Values	Approved	Yes
Rate	Rates and Rating Values	Withdrawn	No
Rate	Large Risk Rating Plan	Approved	Yes
Rate (revised)	Exception Manual Page	Approved	Yes
Rate	Exception Manual Page	Withdrawn	No

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Product Name: 08-WC-2007624
Project Name/Number: WC Large Risk Rating Plan/08-WC-2007624

Objection Letter

Objection Letter Status Pending Industry Response

Objection Letter Date 04/17/2008

Submitted Date 04/17/2008

Respond By Date

Dear Viola McBride,

I have discussed the AR-Large Risk Rating Plan Exception Page attached to your last response. We both agree that the language "If so required" muddies the meaning. There is no "If so required" to the law. The rates MUST be filed.

In this situation, an individual risk filing is REQUIRED. We believe that adding "If so required" language to the exception page would lead an underwriter to think that they only had to file the individual risk filing if the state requested it. Should this happen, this would leave the company open to regulatory action for using unfiled rates.

Please feel free to contact me if you have questions.

Sincerely,

Carol Stiffler

Response Letter

Response Letter Status Submitted to State

Response Letter Date 05/20/2008

Submitted Date 05/20/2008

Dear Carol Stiffler,

Comments:

Response 1

Comments: Dear Ms. Stiffler,

We are attaching a revised exception page, as a result of discussion with you, on 4/18/08.

Sincerely,

Viola McBride

Changed Items:

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No Supporting Documents changed.

No Form Schedule items changed.

Rate/Rule Schedule Item Changes

Exhibit Name	Rule # or Page #	Rate Action	Previous State Filing #
Exception Manual Page	LRRP-AR-1	New	
Previous Version			
Exception Manual Page	LRRP-AR-1	New	

Sincerely,

Connie McFarlane, Linda Thomas, Renice Cox, Steve Kreider, Viola McBride

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Product Name: 08-WC-2007624
Project Name/Number: WC Large Risk Rating Plan/08-WC-2007624

Objection Letter

Objection Letter Status Pending Industry Response
Objection Letter Date 04/15/2008
Submitted Date 04/15/2008
Respond By Date

Dear Viola McBride,

The language "This premium in these companies may be adjusted by mutual agreement between the insured and the company for risks eligible for the ACE Large Risk Rating Plan" is still not acceptable. As I stated in my first objection letter on 4/3/08, Arkansas law requires that workers' compensation rates must be filed. The insured and company may "mutually agree" on the rates, but they still must be filed. You can either filed the complete rating plan in all of the ways it might be used or you can make an individual risk filing for each insured using this option. I cannot approve this filing. You may either make the required changes or withdraw 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 04/17/2008
Submitted Date 04/17/2008

Dear Carol Stiffler,

Comments:

Response 1

Comments: In response to your objection letter, we would like to submit a company exception manual page for the Large Risk Rating Plan.

Thank you
Linda Thomas

Changed Items:

SERFF Tracking Number: ACEH-125591750 State: Arkansas
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TOI: 16.0 Workers Compensation Sub-TOI: 16.0004 Standard WC
Product Name: 08-WC-2007624
Project Name/Number: WC Large Risk Rating Plan/08-WC-2007624

No Supporting Documents changed.

No Form Schedule items changed.

Rate/Rule Schedule Item Changes

Exhibit Name	Rule # or Page #	Rate Action	Previous State Filing #
Exception Manual Page	LRRP-AR-1	New	

Sincerely,

Connie McFarlane, Linda Thomas, Renice Cox, Steve Kreider, Viola McBride

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Project Name/Number: WC Large Risk Rating Plan/08-WC-2007624

Objection Letter

Objection Letter Status Pending Industry Response
Objection Letter Date 04/10/2008
Submitted Date 04/10/2008
Respond By Date

Dear Viola McBride,

The NCCI manual is incorrect. Please see the attached Bulletin 4-2002 that rescinded approval of the Large Risk Alternative Rating Option in 2002. It was rescinded because of the "mutually agreed upon" language.

Please feel free to contact me if you have questions.

Sincerely,
Carol Stiffler



Arkansas Insurance Department

Mike Huckabee, Governor

Mike Pickens, Commissioner

March 7, 2002

BULLETIN NO. 4-2002

TO: ALL LICENSED INSURERS WRITING WORKERS' COMPENSATION INSURANCE, TRADE ASSOCIATIONS, NATIONAL ASSOCIATION OF INSURANCE COMMISSIONERS AND OTHER INTERESTED PARTIES

FROM: ARKANSAS INSURANCE DEPARTMENT

SUBJECT: WORKERS' COMPENSATION INSURANCE RETROSPECTIVE RATING PLANS

Effective April 1, 2002, the Arkansas Insurance Department will not approve any new Workers' Compensation Insurance Large Risk Alternative Rating Option plans which provide for a premium eligibility threshold of less than \$250,000.00. Approval for all existing filings of this type will be rescinded on August 1, 2002.

It will be necessary for all insurance companies licensed to write Workers' Compensation Insurance in Arkansas with an approved Retrospective Rating Plan providing for a premium eligibility threshold of less than \$250,000.00 to immediately make a filing with the Department amending their retrospective rating plan to provide for a minimum premium eligibility of at least \$250,000.00. No fee will be required for this limited filing.

This Bulletin is applicable to all new business written on or after August 1, 2002, and to all policies renewed on or after August 1, 2002.

Questions regarding this bulletin or required filing should be directed to Carol Stiffler, Property and Casualty Division, telephone number (501) 371-2807 or carol.stiffler@mail.state.ar.us.

MIKE PICKENS
INSURANCE COMMISSIONER

SERFF Tracking Number: ACEH-125591750 State: Arkansas
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Company Tracking Number: 08-WC-2007624
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Product Name: 08-WC-2007624
Project Name/Number: WC Large Risk Rating Plan/08-WC-2007624

Response Letter

Response Letter Status Submitted to State
Response Letter Date 04/15/2008
Submitted Date 04/15/2008

Dear Carol Stiffler,

Comments:

Response 1

Comments: We have revised large risk rating plan to show a threshold of \$250,000. Please note, the previous submission should not have been listed as an explanatory memo, nor should it have been listed under supporting documentation. The Large Risk Rating plan has been placed in the Rate / Rule Schedule.

Thank you.

Changed Items:

Supporting Document Schedule Item Changes

Satisfied -Name: Large Risk Rating Plan

Comment: In response to your objection, we have revised our Large Risk Rating Plan to show an eligibility threshold of \$250,000. The rating plan should have been submitted under the rate/rule section, therefore, this document is being removed and placed in the correct location.

Thank you

Linda Thomas
215-640-4030

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Sincerely,

Connie McFarlane, Linda Thomas, Renice Cox, Steve Kreider, Viola McBride

SERFF Tracking Number: ACEH-125591750 State: Arkansas
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Company Tracking Number: 08-WC-2007624
TOI: 16.0 Workers Compensation Sub-TOI: 16.0004 Standard WC
Product Name: 08-WC-2007624
Project Name/Number: WC Large Risk Rating Plan/08-WC-2007624

Objection Letter

Objection Letter Status Pending Industry Response

Objection Letter Date 04/03/2008

Submitted Date 04/03/2008

Respond By Date

Dear Viola McBride,

This will acknowledge receipt of the captioned filing. My previous letter showed the Objection Letter Status "No response necessary". That was a mistake. It should show Pending Industry Response.

Please feel free to contact me if you have questions.

Sincerely,

Carol Stiffler

Response Letter

Response Letter Status Submitted to State

Response Letter Date 04/10/2008

Submitted Date 04/10/2008

Dear Carol Stiffler,

Comments:

Response 1

Comments: Hello,

In response to your objection letter:

According to the NCCI Retro Manual, Arkansas has approved the Large Risk Alternative Rating Option. There is no state exception page that says it does not apply.

This should address your questions.

Thank you

Linda Thomas

215-640-4030

SERFF Tracking Number: ACEH-125591750 *State:* Arkansas
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Company Tracking Number: 08-WC-2007624
TOI: 16.0 Workers Compensation *Sub-TOI:* 16.0004 Standard WC
Product Name: 08-WC-2007624
Project Name/Number: WC Large Risk Rating Plan/08-WC-2007624

Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Sincerely,

Connie McFarlane, Linda Thomas, Renice Cox, Steve Kreider, Viola McBride

SERFF Tracking Number: ACEH-125591750 State: Arkansas
First Filing Company: ACE American Insurance Company, ... State Tracking Number: EFT \$100
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TOI: 16.0 Workers Compensation Sub-TOI: 16.0004 Standard WC
Product Name: 08-WC-2007624
Project Name/Number: WC Large Risk Rating Plan/08-WC-2007624

Objection Letter

Objection Letter Status No response necessary
Objection Letter Date 04/03/2008
Submitted Date 04/03/2008
Respond By Date

Dear Viola McBride,

This will acknowledge receipt of the captioned filing.

Objection 1

- Rates and Rating Values (Rate)
- File Memo (Supporting Document)

Comment: Arkansas law requires that all workers' compensation rates be filed. There is no exception for large commercial insureds or for rates that are "mutually agreed on" by insured/insurer. Please remove the statement "This premium in these companies may be adjusted by mutual agreement between the insured and the company for risks eligible for the ACE Large Risk Rating Plan" or acknowledge that an individual risk filing will be made for all insureds on this program.

In the File Memo (Supporting Document) there is more references to the "mutually agreed on" language. Please either remove them or acknowledge that an individual risk filing will be made for all insureds on this program.

Please feel free to contact me if you have questions.

Sincerely,
Carol Stiffler

Response Letter

Response Letter Status Submitted to State
Response Letter Date 04/15/2008
Submitted Date 04/15/2008

Dear Carol Stiffler,

Comments:

Response 1

SERFF Tracking Number: ACEH-125591750 State: Arkansas
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 Project Name/Number: WC Large Risk Rating Plan/08-WC-2007624

Comments: The Large Risk Rating Plan was submitted under supporting documentation. Since there was an objection to the document submitted, I have moved it from supporting documentation to the rate rule schedule.

Please let me know if you have any questions.

Thank you
 Linda Thomas
 215-640-4030

Related Objection 1

Applies To:

- Rates and Rating Values (Rate)
- File Memo (Supporting Document)

Comment:

Arkansas law requires that all workers' compensation rates be filed. There is no exception for large commercial insureds or for rates that are "mutually agreed on" by insured/insurer. Please remove the statement "This premium in these companies may be adjusted by mutual agreement between the insured and the company for risks eligible for the ACE Large Risk Rating Plan" or acknowledge that an individual risk filing will be made for all insureds on this program.

In the File Memo (Supporting Document) there is more references to the "mutually agreed on" language. Please either remove them or acknowledge that an individual risk filing will be made for all insureds on this program.

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 #
Rates and Rating Values	PAGES 1	New	
Previous Version			
Rates and Rating Values	PAGES 1	New	
Large Risk Rating Plan	Pages 1 - 3	New	

SERFF Tracking Number: ACEH-125591750 *State:* Arkansas
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Sincerely,
Connie McFarlane, Linda Thomas, Renice Cox, Steve Kreider, Viola McBride

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Project Name/Number: WC Large Risk Rating Plan/08-WC-2007624

Note To Filer

Created By:

Carol Stiffler on 05/14/2008 11:17 AM

Subject:

Waiver of review time period

Comments:

This will acknowledge your request. I will waive the review time limit.

SERFF Tracking Number: ACEH-125591750 *State:* Arkansas
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Product Name: 08-WC-2007624
Project Name/Number: WC Large Risk Rating Plan/08-WC-2007624

Note To Reviewer

Created By:

Viola McBride on 05/14/2008 07:59 AM

Subject:

Waiver of Review Period

Comments:

Dear Ms. Stiffler,

Attached is our request to waive the review period for this filing. This will allow us additional time to complete our response.

Sincerely,

Viola McBride



Filing & Regulation
Routing WB04G
PO Box 1000
436 Walnut Street
Philadelphia, PA 19106

215.640.5238 tel
215.640.4986 fax

viola.mcbride@ace-ina.com
www.ace-ina.com

VIOLA MCBRIDE
Regulatory Associate

May 14, 2008

Ms. Carol Stiffler
State of Arkansas
Department of Insurance

RE: ACE AMERICAN INSURANCE COMPANY NAIC# 626-22667
INDEMNITY INSURANCE COMPANY OF NORTH AMERICA NAIC# 626-43575
ACE FIRE UNDERWRITERS INSURANCE COMPANY NAIC# 626-20702
PACIFIC EMPLOYERS INSURANCE COMPANY NAIC# 626-22748
ACE PROPERTY & CASUALTY INSURANCE COMPANY NAIC# 626-20699
BANKERS STANDARD INSURANCE COMPANY NAIC# 626-18279
ACE Large Risk – Form Filing (WC 99 04 09 03/05)
Our Filing Number 08-WC-2007624

Dear Ms. Stiffler:

Please accept this letter to serve as our request to waive the review period for the above-captioned filing.

Please let me know if you have any questions.

Sincerely,

A handwritten signature in cursive script that reads "Viola McBride".

Viola McBride

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Project Name/Number: WC Large Risk Rating Plan/08-WC-2007624

Note To Filer

Created By:

Carol Stiffler on 05/13/2008 01:20 PM

Subject:

ACEH-125591750 status

Comments:

I show this filing and the corresponding form filing are now past the 30 days we have to review the filing. I need you to either request a waiver of the review period or finalize the filing.

SERFF Tracking Number: ACEH-125591750 *State:* Arkansas
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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	Rates and Rating Values	PAGES 1	New	AR 05 08 Manual Pgs.pdf
Approved	Large Risk Rating Plan	Pages 1 - 3	New	AARO LRRP - revised.pdf
Approved	Exception Manual Page	LRRP-AR-1	New	AR- Large Risk Rating Plan Exception Page.pdf



ace usa

**ARKANSAS
Workers Compensation
Rates and Rating Values**

May 1, 2008

LEGEND

Companies

- Pacific Employers Insurance Company**
- ACE Property and Casualty Insurance Company**
- Bankers Standard Insurance Company**
- ACE Fire Underwriting Insurance Company**
- ACE American Insurance Company**
- Indemnity Insurance Company of North America**

- D** - Rate for classification already includes the specific disease loading shown in the Specific Disease Loading Table. See Basic Manual Rule 3-A-7.
- E** - Rate for classification already includes the specific disease loading shown in the Specific Disease Loading Table.
- F** - Rate provides for coverage under the United States Longshore and Harbor Workers' Compensation Act and its extensions. Rate contains a provision for federal assessment.
- M** - Rate provides for coverage under Admiralty Law and Federal Employers' Liability Act (FELA). A provision for federal assessment is included for those classifications under Program II USL Act.
- N** - This code is part of a ratable / non-ratable group shown below. The statistical non-ratable code and corresponding rate are applied in addition to the basic classification when determining premium.

<u>Class Code</u>	<u>Non-Ratable Element Code</u>
4771	0771
7405	7445
7431	7453

- P** - Classification is computed on a per capita basis.
- X** - Refer to special classification phraseology in these pages which is applicable in this state.



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ARKANSAS
Workers Compensation
Rates and Rating Values

May 1, 2008

Class Codes with Specific Footnotes

- 6702** Rate and Rating Values only appropriate for laying or relaying of tracks or maintenance of way – no work on elevated railroads. Otherwise, assign appropriate construction or erection code rate and elr each x 1.215.
- 6703** Rate and Rating Values only appropriate for laying or relaying of tracks or maintenance of way – no work on elevated railroads. Otherwise, assign appropriate construction or erection code rate x 2.14 and elr x 1.982.
- 6704** Rate and Rating Values only appropriate for laying or relaying of tracks or maintenance of way – no work on elevated railroads. Otherwise, assign appropriate construction or erection code rate and elr each x 1.35.
- 7420** Payroll is subject to a maximum of \$600 per week per employee
- 8018** See Arkansas Special Classification for Warehousing-groceries exclusively.
- 8833 & 9040** A charge of \$0.10 is to be added to this class whenever this class is applied to a hospital or sanitarium specializing in the treatment of tuberculosis. Apply to the Rating Organization having jurisdiction for the appropriate loading when this class is applied to a General Hospital operating a tubercular ward or department.

Miscellaneous Values

Basis Of Premium applicable in accordance with the footnote instructions for **Code 7370** - "Taxicab Co.":

Employee Operated Vehicles.....	\$46,220.00
Leased or Rented Vehicles	\$30,813.00

Expense Constant applicable in accordance with Basic Manual Rule 3-A-11**\$160.00**

Maximum Payroll applicable in accordance with Basic Manual Rule 2-E-1 "Executive Officers" and the footnote instructions for **Code 9178** - Athletic Team: Non-Contact Sport, **Code 9179** -Athletic Team: Contact Sport and **Code 9186** - Carnival: Traveling.....**\$2,400.00**

Minimum Payroll applicable in accordance with Basic Manual Rule 2-E-1 "Executive Officers"**\$300.00**

Premium Determination for Partners and Sole Proprietors in accordance with Basic Manual Rule 2-E-3**\$30,800.00**



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ARKANSAS
Workers Compensation
Rates and Rating Values

May 1, 2008

Miscellaneous Values (cont'd)

Per Passenger Seat Surcharge - In accordance with the footnote instructions for **Code 7421**, the surcharge is.....
\$100 per passenger seat
\$1000 maximum surcharge per aircraft

Premium Discount Percentages - See Basic Manual Rule 3-A-19.

ACE Property & Casualty, Pacific Employers, ACE Fire Underwriters & Bankers Standard

First \$10,000	-	--
Next \$190,000	(a)	9.1%
Next \$1,550,000	(b)	11.3%
Over \$1,7550,000	(c)	12.3%

ACE American Insurance & Indemnity Insurance of North America

First \$ 5,000	-	--
Next \$ 95,000	(a)	10.9%
Next \$400,000	(b)	12.6%
Over \$500,000	(c)	14.4%

United States Longshore and Harbor Workers' Compensation Coverage

Percentage applicable only in connection with Rule 3-A-4**90%**

(Multiply a Non-“F” classification rate by a factor of **1.90** to adjust for the difference in state and federal benefits and loss-based expenses. This factor is the product of the adjustment for differences in benefits (1.71) and for differences in loss-based expenses (1.139).)

Terrorism Risk Insurance Act - Certified Losses – Rate

ACE American Insurance Company	
Indemnity Insurance Company of North America.....	\$.02
ACE Fire Underwriters Insurance	
Pacific Employers Insurance Company	
ACE Property and Casualty Insurance Company.....	\$.03
Bankers Standard Insurance Company.....	\$.04

This premium in these companies may be adjusted by mutual agreement between the insured and the company for risks eligible for the ACE Large Risk Rating Plan



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**ARKANSAS
Workers Compensation
Rates and Rating Values**

May 1, 2008

Domestic Terrorism, Earthquakes Catastrophic Industrial Accidents – Rate

Bankers Standard Insurance Company	
Pacific Employers Insurance Company \$.02
ACE Fire Underwriters Insurance	
ACE Property and Casualty Insurance Company	
ACE American Insurance Company	
Indemnity Insurance Company of North America \$.01

This premium in these companies may be adjusted by mutual agreement between the insured and the company for risks eligible for the ACE Large Risk Rating Plan

State Special Classifications by Hazard Group

<u>Code No</u>	<u>HG</u>
1745	III
2719	III
8295	II

Large Risk Rating Plan

I. THE PLAN IS OPTIONAL

The application of this plan is optional and may be used only upon election by the insured and the acceptance of such election by the Company.

II. OBJECT OF THE PLAN

This Plan is a loss-sensitive and cost-sensitive individual risk rating plan for sizable risks.

Under the Plan, the Company creates a countrywide casualty program that meets the risk-financing needs of the Insured. Programs structured under this plan may contain various combinations of deductibles, self-insured retentions, and loss reimbursements as well as elements of retrospective rating, schedule rating, pure risk-transfer, finite (aggregate insurance up to a limit) and/or excess of aggregate insurance (aggregate insurance excess of a limit).

The Plan adjusts the premium, for the insurance to which it applies, to reflect the insured's own loss experience on a per occurrence, per claim, or per accident basis and, optionally, on an aggregate basis as well as the Company's costs and actual expenses in providing the program and associated risk management services. Where an insured contracts with a party other than the Company for any such services, the Company's expense elements in the premium will be adjusted accordingly.

The Plan provides an incentive to the insured to control losses and reduce accidents. To the extent that the insured succeeds in controlling losses to an amount less than that contemplated in the Standard Premium, there is a reward through lower risk-financing costs, including insurance premiums.

The Plan also dispels any concern the insured may have that its costs depend solely upon losses incurred by other Insureds.

III. ELIGIBILITY

The following lines of coverage are eligible to be included in the Plan:

Workers Compensation & Employers Liability
General Liability, including Products Liability
Automobile Liability, including Personal Injury Protection, Uninsured Motorist, and Underinsured Motorist
Automobile Physical Damage
Professional Liability and Miscellaneous Liability Lines

Garage Liability

Excess Insurance (Excess Workers Compensation & Employers Liability, General Liability, and Automobile Liability)

An insured under this plan may include:

- any group of organizations affiliated through at least 50% common ownership;
- any group of organizations affiliated through at least 50% common membership in the organizations or their governing bodies;
- a wrap-up or long term construction project

If any insured has agreed to obtain and purchase protective liability policies for the benefit of another, (Owners, Contractors, or Railroad Protective Liability Insurance) such insurance may be included in the Large Risk Rating Plan of the insured.

An insured may only be offered this Plan if the modified manual premium using standard rates for all coverages being rated under this Plan is at least \$250,000.

IV. ADMINISTRATION OF THE PLAN

This Plan will apply to Insureds operating on both an intrastate or interstate basis.

The insurer must make a written offer to the insured to provide coverage subject to this plan. The insured must notify the insurer in writing of its election to be subject to the plan. The election may be in any written form as long as it at least contains the required elements displayed below and is executed by an authorized representative of the insured. The insurer accepts the election of the insured by accepting the insured's written notification.

Notice of Election Required Elements

- i. Name of Insured
- ii. Name of Insurer
- iii. Effective and Expiration Dates of the Plan
- iv. If the plan applies to a wrap-up construction project, the identification of the project
- v. Loss Reimbursement Amount and ALAE option
- vi. Aggregate Attachment, if any
- vii. Aggregate Limit, if any
- viii. The estimated total reimbursement amounts, estimated premium, charges and adjustment basis for unallocated loss adjustment expenses, the claims payment deposit fund, and the types and amounts of collateral required by the insurer, along with the initial payment and delivery due dates.
- ix. Any special conditions affecting the selected plan

For many risks, the Company requires, as a condition of offering or continuing the Plan, the insured to deliver collateral or security instruments to the Company to guarantee the amounts due from the insured under the Plan. The insured's failure to deliver the collateral or security instruments will be equivalent to failure to pay premium or to reimburse the Company under the terms of the policies to which this Plan applies.

V. APPLICATION OF THE PLAN

The Plan is an independent option and can be used in conjunction with Manual Rating, Experience Rating, Schedule Rating, Composite Rating, Loss Rating, rating under any Loss Reimbursement or Deductible Plan, or any other individual risk rating rule.

The Plan operates in two phases. In Phase One, premiums are calculated in accordance with any currently approved rating plan or rating rule as described above.

In Phase Two, premium adjustments are superimposed on the premiums calculated in Phase One. Those premiums are based upon loss sensitive and or cost sensitive rating values mutually agreed upon by the insured and the Company.

The final premiums for the insurance to which Phase Two of this plan does apply will be calculated separately by state for each kind of insurance to which the Plan applies according to the terms of an agreement between the insured and the company setting forth the mutually agreed upon premium calculation agreement between the insured and the Company. The final premiums will be the sum of incurred losses, exclusive of deductible, self-insured, or excess of aggregate losses, excess of loss premiums, insurance charge, company administration expenses, and taxes, residual market loads, board and bureau, or assessments from such final premiums.

Premium adjustments may be estimated at the inception of the Plan, and will continue through any mutually agreed exposure based adjustment(s), claim frequency adjustment(s), retrospective loss adjustment(s), any applicable commutation agreement of the costs under this Plan, or any other terms of the mutual agreement between the Company and the Insured.

**COMPANY EXCEPTION MANUAL
Large Risk Rating Plan**

The following is added IV. Administration of the Plan:

Individual Risk Rate Filing

An Individual Risk Filing will be submitted to the state documenting the insured's agreement to the premium charged under this plan.

ACE American Insurance Company
Indemnity Insurance Company of North America
ACE Fire Underwriters Insurance Company
ACE Property & Casualty Insurance Company
Bankers Standard Insurance Company
Pacific Employers Insurance Company

<i>SERFF Tracking Number:</i>	<i>ACEH-125591750</i>	<i>State:</i>	<i>Arkansas</i>
<i>First Filing Company:</i>	<i>ACE American Insurance Company, ...</i>	<i>State Tracking Number:</i>	<i>EFT \$100</i>
<i>Company Tracking Number:</i>	<i>08-WC-2007624</i>		
<i>TOI:</i>	<i>16.0 Workers Compensation</i>	<i>Sub-TOI:</i>	<i>16.0004 Standard WC</i>
<i>Product Name:</i>	<i>08-WC-2007624</i>		
<i>Project Name/Number:</i>	<i>WC Large Risk Rating Plan/08-WC-2007624</i>		

Supporting Document Schedules

Satisfied -Name:	Uniform Transmittal Document-Property & Casualty	Review Status:	Approved	05/20/2008
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Comments:

Attachment:

NAIC Transmittal Document.pdf

Bypassed -Name:	NAIC Loss Cost Filing Document for Workers' Compensation	Review Status:	Approved	05/20/2008
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Bypass Reason: N/A

Comments:

Bypassed -Name:	NAIC loss cost data entry document	Review Status:	Approved	05/20/2008
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Bypass Reason: N/A

Comments:

Satisfied -Name:	Large Risk Rating Plan	Review Status:	Approved	05/20/2008
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Comments:

In response to your objection, we have revised our Large Risk Rating Plan to show an eligibility threshold of \$250,000. The rating plan should have been submitted under the rate/rule section, therefore, this document is being removed and placed in the correct location.

Thank you

Linda Thomas

215-640-4030

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: <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;">New Business</td> <td></td> </tr> <tr> <td>Renewal Business</td> <td></td> </tr> </table> f. State Filing #: g. SERFF Filing #: h. Subject Codes	New Business		Renewal Business	
New Business					
Renewal Business					

3. Group Name	Group NAIC #
ACE INA Companires	626

4. Company Name(s)	Domicile	NAIC #	FEIN #
ACE American Insurance Company	PA	22667	95-2371728
ACE Property and Casualty Ins. Co.	PA	20699	06-0237820
Indemnity Insurance Co of North America	PA	43575	06-1016108
ACE Fire Underwriters Ins. Co.	PA	20702	06-6032187
Bankers Standard Ins. Co.	PA	18279	59-1320184
Pacific Employers Ins. Co.	PA	22748	95-1077060

5. Company Tracking Number	08-WC-2007624
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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
	Viola McBride 510 Walnut Street Philadelphia, PA 19106	Regulatory Associate	215-640-5238	215. 640. 4986	Viola.mcbride@ace-ina.com
7.	Signature of authorized filer		<i>Viola McBride</i>		
8.	Please print name of authorized filer		Viola McBride		

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

9. Type of Insurance (TOI)	Workers Comp
10. Sub-Type of Insurance (Sub-TOI)	Standard
11. State Specific Product code(s)(if applicable)[See State Specific Requirements]	n/a
12. Company Program Title (Marketing title)	n/a
13. Filing Type	<input type="checkbox"/> Rate/Loss Cost <input type="checkbox"/> Rules <input type="checkbox"/> Rates/Rules <input type="checkbox"/> Forms <input checked="" type="checkbox"/> Combination Rates/Rules/Forms <input type="checkbox"/> Withdrawal <input type="checkbox"/> Other (give description)
14. Effective Date(s) Requested	New: 05/01/2008 Renewal: 05/01/2008

Property & Casualty Transmittal Document---

15.	Reference Filing?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
16.	Reference Organization (if applicable)	
17.	Reference Organization # & Title	
18.	Company's Date of Filing	04/2/2008
19.	Status of filing in domicile	<input checked="" type="checkbox"/> Not Filed <input type="checkbox"/> Pending <input type="checkbox"/> Authorized <input type="checkbox"/> Disapproved

20.	This filing transmittal is part of Company Tracking #	08-WC-2007624
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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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We are filing for your review and approval a new independent plan, the ACE Large Risk Rating Plan

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]
<p>Check #: EFT Amount: \$100.00</p> <p>Refer to each state's checklist for additional state specific requirements or instructions on calculating fees.</p>	

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