

SERFF Tracking Number: PERR-125655201 State: Arkansas  
Filing Company: SUA Insurance Company State Tracking Number: #? \$50  
Company Tracking Number: SUA-WC-NCCI-AR-08-02-R  
TOI: 16.0 Workers Compensation Sub-TOI: 16.0004 Standard WC  
Product Name: Adoption of AR-2008-02/Schedule Rating Plan Intro  
Project Name/Number: SUA-WC-NCCI-AR-08-02-R/SUA-WC-NCCI-AR-08-02-R

## Filing at a Glance

Company: SUA Insurance Company  
Product Name: Adoption of AR-2008-02/Schedule Rating Plan Intro  
TOI: 16.0 Workers Compensation  
Sub-TOI: 16.0004 Standard WC  
Filing Type: Rate/Rule

SERFF Tr Num: PERR-125655201 State: Arkansas  
SERFF Status: Closed State Tr Num: #? \$50  
Co Tr Num: SUA-WC-NCCI-AR-08-02-R State Status: Fees verified  
Co Status: Reviewer(s): Betty Montesi, Carol Stiffler, Brittany Yielding  
Author: Laura Jennette Disposition Date: 05/20/2008  
Date Submitted: 05/19/2008 Disposition Status: Approved  
Effective Date Requested (New): 07/01/2008 Effective Date (New): 07/01/2008  
Effective Date Requested (Renewal): 07/01/2008 Effective Date (Renewal):  
State Filing Description:

## General Information

Project Name: SUA-WC-NCCI-AR-08-02-R Status of Filing in Domicile: Not Filed  
Project Number: SUA-WC-NCCI-AR-08-02-R Domicile Status Comments:  
Reference Organization: National Council on Compensation Insurance (NCCI) Reference Number: AR-2008-02  
Reference Title: Approved Voluntary Advisory Loss Costs and Rating Values and Assigned Risk Rates Advisory Org. Circular: AR-2008-02  
Filing Status Changed: 05/20/2008  
State Status Changed: 05/20/2008 Deemer Date:  
Corresponding Filing Tracking Number:  
Filing Description:  
On behalf of SUA Insurance Company ("the Company"), we are submitting this filing to adopt NCCI's Approved Voluntary Advisory Loss Costs and Rating Values and Assigned Risk Rates as contained in reference filing AR-2008-02 without modification.

Please note that this filing proposes no change to the Company's currently filed and approved LCM of 1.550.

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Please also note that Company was formed on November 23, 2004 and began writing workers compensation coverage in Arkansas on May 4, 2007. The Company would like to increase its expense constant from \$180 to \$200 in order to maintain consistency with the expense constant for assigned risk exposures.

We are also submitting this filing to implement a Schedule Rating Plan. This Plan is identical to the NCCI Schedule Rating Plan used in the majority of NCCI states. The maximum deviation for this Plan would be 25%.

We respectfully request this filing to be effective on July 1, 2008.

Please do not hesitate to contact us with any questions or comments.

## Company and Contact

### Filing Contact Information

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

Laura Jennette, State Filings Analyst      doi@perrknight.com  
 881 Alma Real Drive Suite 205              (310) 230-9339 [Phone]  
 Pacific Palisades, CA 90272

### Filing Company Information

SUA Insurance Company	CoCode: 40134	State of Domicile: Illinois
222 S. Riverside Plaza	Group Code: -99	Company Type:
Chicago, IL 60606	Group Name:	State ID Number:
(312) 277-1600 ext. [Phone]	FEIN Number: 23-2182777	
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## Filing Fees

Fee Required?	Yes
Fee Amount:	\$50.00
Retaliatory?	No
Fee Explanation:	\$50.00 = no change in LCM
Per Company:	No

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COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
SUA Insurance Company	\$0.00	05/19/2008	

CHECK NUMBER	CHECK AMOUNT	CHECK DATE
102746	\$50.00	05/12/2008

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## Correspondence Summary

### Dispositions

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

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## Disposition

Disposition Date: 05/20/2008  
 Effective Date (New): 07/01/2008  
 Effective Date (Renewal):  
 Status: Approved  
 Comment:

Company Name:	Overall % Rate Impact:	Written Premium Change for this Program:	# of Policy Holders Affected for this Program:	Premium:	Maximum % Change (where required):	Minimum % Change (where required):	Overall % Indicated Change:
SUA Insurance Company	-12.800%	\$-6,519		\$50,932	%	%	%

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<b>Item Type</b>	<b>Item Name</b>	<b>Item Status</b>	<b>Public Access</b>
<b>Supporting Document</b>	Uniform Transmittal Document-Property & Casualty	Approved	Yes
<b>Supporting Document</b>	NAIC Loss Cost Filing Document for Workers' Compensation	Approved	Yes
<b>Supporting Document</b>	NAIC loss cost data entry document	Approved	Yes
<b>Supporting Document</b>	Letter of Authorization	Approved	Yes
<b>Rate</b>	Miscellaneous Values	Approved	Yes
<b>Rate</b>	Schedule Rating Plan	Approved	Yes

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**Rate Information**

Rate data applies to filing.

**Filing Method:** Prior Approval  
**Rate Change Type:** Decrease  
**Overall Percentage of Last Rate Revision:** 0.000%  
**Effective Date of Last Rate Revision:** 01/01/2008  
**Filing Method of Last Filing:** Prior Approval

**Company Rate Information**

Company Name:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	# of Policy Holders Affected for this Program:	Premium:	Maximum % Change (where required):	Minimum % Change (where required):
SUA Insurance Company	%	-12.800%	\$-6,519		\$50,932	%	%

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## Rate/Rule Schedule

Review Status:	Exhibit Name:	Rule # or Page #:	Rate Action	Previous State Filing Attachments Number:
Approved	Miscellaneous Values	SUA-WC-AR-Rates-07/08 (Pages 1 and 2)	Replacement	AR-PC-07-023304 AR_2008_02 Misc Pages.pdf
Approved	Schedule Rating Plan	SUA-WC-AR-SCH-R-P-07/08 (Pages 1 and 2)	New	AR SUA Schedule Rating 07-08.pdf

Effective July 1, 2008

MISCELLANEOUS VALUES

**Small Deductible Premium Credits** --The following percentages are applicable by deductible amount and hazard group for total premiums on a per claim basis:

Deductible Amount	Without Coinsurance						
	Small Deductible Premium Credit						
	Hazard Group						
	A	B	C	D	E	F	G
\$1,000	9.0%	7.2%	6.2%	5.1%	4.3%	3.0%	2.2%
\$1,500	11.0%	8.9%	7.6%	6.4%	5.4%	3.7%	2.8%
\$2,000	12.6%	10.2%	8.7%	7.4%	6.3%	4.5%	3.4%
\$2,500	13.9%	11.3%	9.8%	8.4%	7.1%	5.1%	3.9%
\$3,000	15.1%	12.4%	10.7%	9.2%	7.8%	5.7%	4.3%
\$3,500	16.2%	13.3%	11.5%	9.9%	8.5%	6.2%	4.7%
\$4,000	17.2%	14.1%	12.4%	10.7%	9.1%	6.7%	5.1%
\$4,500	18.2%	14.9%	13.0%	11.3%	9.7%	7.2%	5.5%
\$5,000	19.0%	15.7%	13.7%	12.0%	10.3%	7.7%	5.8%

**Basis of Premium** applicable in accordance with **Basic Manual** footnote instructions for Code 7370 --"Taxicab Co.":

Employee operated vehicles .....	\$48,893.00
Leased or rented vehicles.....	\$32,595.00

7420--"Aviation - Aerial Application, Seeding, Herding, or Scintillometer Surveying - Flying Crew"	
Maximum payroll per week per employee.....	\$750.00

**Domestic Terrorism, Earthquakes and Catastrophic Industrial Accidents - (Rate).....** 0.02

**Foreign Terrorism - (Rate).....** 0.03

**Employers Liability - Table for Increased Limits**

Limits of Liability	Percentage	Minimum Premium for Increased Limits
\$100/100/1,000	0.6%	150
100/100/2,500	1.6%	200
100/100/5,000	2.5%	250
100/100/10,000	3.1%	300
500/500/500	1.7%	100
500/500/1,000	2.3%	150
500/500/2,500	3.3%	200
500/500/5,000	4.2%	250
500/500/10,000	4.8%	300
1,000/1,000/1,000	2.8%	150
1,000/1,000/2,500	3.8%	200
1,000/1,000/5,000	4.7%	250
1,000/1,000/10,000	5.3%	300

**Expense Constant.....** \$200.00

**Maximum Payroll** applicable in accordance with **Basic Manual** Rule 2-E-1 -- "Executive Officers" and the **Basic Manual** footnote instructions for Code 9178 -- "Athletic Sports or Park: Non-Contact Sports," Code 9179 -- "Athletic Sports or Park: Contact Sports," and Code 9186 -- "Carnival--Traveling"..... \$2,500.00

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

**Per Passenger Seat Surcharge** - In accordance with **Basic Manual** footnote instructions for Code 7421, the surcharge is:  
 Maximum surcharge per aircraft..... \$1,000  
 Per passenger seat ..... \$100

**Premium Determination for Partners and Sole Proprietors and Members of Limited Liability Companies** in accordance with **Basic Manual** Rules 2-E-3..... \$31,900.00

Effective July 1, 2008

MISCELLANEOUS VALUES

**Premium Discount Percentages:**

The following prmeium discount percentages (NCCI Table 7A) are applicable to Standard Premiums.

Premium Range		Discount
First	\$ 5,000	0.0%
Next	\$ 95,000	10.9%
Next	\$ 400,000	12.6%
Over	\$ 500,000	14.4%

**United States Longshore and Harbor Workers Compensation Coverage Percentage** applicable only in connection with **Basic Manual** Rule 3-A-4..... 86%

(Multiply a Non-F classification rate by a factor of 1.86 to adjust for differences in benefits and loss-based expenses. This factor is the product of the adjustment for differences in benefits (1.67) and the adjustment for differences in state and federal loss-based expenses (1.116)).

**Experience Rating Eligibility**

A risk is eligible for intrastate experience rating when the payrolls or other exposures developed in the last year or last two years of the experience period produced a premium of at least \$8,000. If more than two years, an average annual premium of at least \$4,000 is required. Page A-1 of the **Experience Rating Plan Manual** should be referenced for the latest approved eligibility amounts by state.

**WORKERS COMPENSATION AND EMPLOYERS LIABILITY**

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**SUA WC SCHEDULE RATING PLAN**

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The following is in addition to the National Council on Compensation Insurance (NCCI) Basic Manual - 2001 Edition:

**Schedule Rating Plan**

1. Eligibility
  - a. To be eligible for this Plan, annual manual premium must be greater than the largest classification minimum premium used for the risk.
  - b. This Plan is not applicable to residual market policyholders covered under the Workers Compensation Insurance Plan (WCIP).
  
2. Application
  - a. The amount of the schedule rating factor is subject to a maximum modification of 25%.
  - b. The amount of the schedule rating factor is applied in a multiplicative manner after the application of the experience rating modification (if an experience rated risk) and before the application of premium discount and expense constant.
  - c. The credit or debit must be within the range for a specific risk characteristic as provided in this Plan.
  - d. At the time that the schedule rating factor is applied, the carrier must have documentation on file detailing the basis for the credit or debit. This documentation must be provided to the insured on request.
  - e. The effective date of the schedule rating factor must be on or after the date of the carrier's receipt of the documentation supporting the basis for the schedule rating factor.
  - f. If the insured can correct the reason for any schedule debit to the satisfaction of the carrier, the debit may be removed effective on the date that documentation for the correction is received in the carrier's office.
  
3. Schedule Rating Table

The premium for a risk shall be modified according to the Schedule Rating Table to reflect such characteristics of the risk that are not reflected in its experience. Seven categories are considered when determining any credit or debit under this Plan.

WORKERS COMPENSATION AND EMPLOYERS LIABILITY

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**SUA WC SCHEDULE RATING PLAN (cont.)**

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SCHEDULE RATING TABLE		
Risk Characteristics	Range of Modifications	
	Credit	Debit
1. Premises Condition and Care	10%	10%
2. Classification Peculiarities	10%	10%
3. Medical Facilities	5%	5%
4. Safety Devices & Protective Equipment	5%	5%
5. Employees—Selection, Training & Supervision	10%	10%
6. Management—Cooperation With Insurance Carrier	5%	5%
7. Management—Safety Organization	5%	5%

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## Supporting Document Schedules

**Review Status:**  
**Bypassed -Name:** Uniform Transmittal Document- Property & Casualty **Approved** 05/20/2008  
**Bypass Reason:** N/A - no longer required, according to our conversation with Ms. Alexa Grissom. Please refer to General Information/Filing Description for complete information.

**Comments:**

**Review Status:**  
**Bypassed -Name:** NAIC Loss Cost Filing Document for Workers' Compensation **Approved** 05/20/2008  
**Bypass Reason:** N/A - no change in LCM

**Comments:**

**Review Status:**  
**Bypassed -Name:** NAIC loss cost data entry document **Approved** 05/20/2008  
**Bypass Reason:** N/A - no change in LCM

**Comments:**

**Review Status:**  
**Satisfied -Name:** Letter of Authorization **Approved** 05/20/2008

**Comments:**

**Attachment:**  
 2008 Letter of Authorization.pdf



*G. Michael Gooding, CPCU, ARe, AIAF, ARC, ARM  
Director of Regulatory Affairs and Legal Compliance*

January 1, 2008

Re: SUA Insurance Company  
NAIC Company Code 40134  
Rate, Rule, and Form Filings

To Whom It May Concern:

Perr&Knight, Inc. is hereby authorized to submit rates, rule, and form filings on behalf of SUA Insurance Company. This authorization includes providing additional information and responding to questions regarding the filing on our behalf as necessary. This authorization is deemed to be in effect until rescinded in writing.

Please direct all correspondences and inquires related to this filing to Perr&Knight, Inc. at the following address:

State Filings Department  
Perr&Knight, Inc.  
881 Alma Real Drive, Suite 205  
Pacific Palisades, CA 90272  
Phone: (310) 230-9339  
Fax: (310) 230-8529

Please contact me if you have any questions regarding this authorization.

Sincerely,

A handwritten signature in blue ink, appearing to read "G. Michael Gooding", is written over a large, blue circular scribble.

G. Michael Gooding, CPCU, ARe, AIAF, ARC, ARM  
Director of Regulatory Affairs and Legal Compliance

GMG/lp