

SERFF Tracking Number: CNAC-125672718 State: Arkansas
Filing Company: Continental Casualty Company State Tracking Number: #229668 \$100
Company Tracking Number: 08-R2220
TOI: 05.0 Commercial Multi-Peril - Liability & Non- Sub-TOI: 05.0000 CMP Sub-TOI Combinations
Liability
Product Name: Dental Professional Liability Program
Project Name/Number: Dental Professional Liability Program/08-R2220

Filing at a Glance

Company: Continental Casualty Company
Product Name: Dental Professional Liability Program SERFF Tr Num: CNAC-125672718 State: Arkansas
TOI: 05.0 Commercial Multi-Peril - Liability & Non-Liability SERFF Status: Closed State Tr Num: #229668 \$100
Sub-TOI: 05.0000 CMP Sub-TOI Combinations Co Tr Num: 08-R2220 State Status: Fees verified and received
Filing Type: Rate/Rule Co Status: Reviewer(s): Betty Montesi, Edith Roberts
Author: Robert Alonzo Disposition Date: 06/26/2008
Date Submitted: 05/30/2008 Disposition Status: Filed
Effective Date Requested (New): 07/01/2008 Effective Date (New):
Effective Date Requested (Renewal): 07/01/2008 Effective Date (Renewal):
State Filing Description:

General Information

Project Name: Dental Professional Liability Program Status of Filing in Domicile:
Project Number: 08-R2220 Domicile Status Comments:
Reference Organization: Reference Number:
Reference Title: Advisory Org. Circular:
Filing Status Changed: 06/26/2008 Deemer Date:
State Status Changed: 06/26/2008
Corresponding Filing Tracking Number:
Filing Description:
On behalf of Continental Casualty Company, we submit for your review and approval the attached new and revised rates & rules for use with our approved National Dental Program currently on file with your department.

Enclose for your review please find:

SERFF Tracking Number: CNAC-125672718 State: Arkansas
 Filing Company: Continental Casualty Company State Tracking Number: #229668 \$100
 Company Tracking Number: 08-R2220
 TOI: 05.0 Commercial Multi-Peril - Liability & Non- Sub-TOI: 05.0000 CMP Sub-TOI Combinations
 Liability
 Product Name: Dental Professional Liability Program
 Project Name/Number: Dental Professional Liability Program/08-R2220

- for information only, our revised manual pages;

Company and Contact

Filing Contact Information

Robert Alonzo, State Filing Analyst robert.alonzo@cna.com
 40 Wall Street (212) 440-3478 [Phone]
 New York, NY 10005 (212) 440-2877[FAX]

Filing Company Information

Continental Casualty Company CoCode: 20443 State of Domicile: Illinois
 40 Wall Street Group Code: 218 Company Type:
 9th Floor
 New York, NY 10005 Group Name: State ID Number:
 (212) 440-3478 ext. [Phone] FEIN Number: 36-2114545

Filing Fees

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

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
Continental Casualty Company	\$0.00	05/30/2008	

CHECK NUMBER	CHECK AMOUNT	CHECK DATE
0000229668	\$100.00	04/11/2008

SERFF Tracking Number: CNAC-125672718 State: Arkansas
Filing Company: Continental Casualty Company State Tracking Number: #229668 \$100
Company Tracking Number: 08-R2220
TOI: 05.0 Commercial Multi-Peril - Liability & Non- Sub-TOI: 05.0000 CMP Sub-TOI Combinations
Liability
Product Name: Dental Professional Liability Program
Project Name/Number: Dental Professional Liability Program/08-R2220

Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Filed	Edith Roberts	06/26/2008	06/26/2008

SERFF Tracking Number: CNAC-125672718 State: Arkansas
Filing Company: Continental Casualty Company State Tracking Number: #229668 \$100
Company Tracking Number: 08-R2220
TOI: 05.0 Commercial Multi-Peril - Liability & Non- Sub-TOI: 05.0000 CMP Sub-TOI Combinations
Liability
Product Name: Dental Professional Liability Program
Project Name/Number: Dental Professional Liability Program/08-R2220

Disposition

Disposition Date: 06/26/2008

Effective Date (New):

Effective Date (Renewal):

Status: Filed

Comment: Rule and class changes for dental PL, not a rate change - Rate change generated under Property coverage, not Professional Liability. GL and Property portion exempt from review and filing. Professional Liability portion marked as "Filed".

Rate data does NOT apply to filing.

SERFF Tracking Number: CNAC-125672718 State: Arkansas
 Filing Company: Continental Casualty Company State Tracking Number: #229668 \$100
 Company Tracking Number: 08-R2220
 TOI: 05.0 Commercial Multi-Peril - Liability & Non- Sub-TOI: 05.0000 CMP Sub-TOI Combinations
 Liability
 Product Name: Dental Professional Liability Program
 Project Name/Number: Dental Professional Liability Program/08-R2220

Item Type	Item Name	Item Status	Public Access
Supporting Document	NAIC FORMS	Filed	Yes
Supporting Document	Cover Letter & Actuary Memo	Filed	Yes
Supporting Document	State Forms	Filed	Yes
Supporting Document	Exhibit	Filed	Yes
Rate	CW Replacement pages Only	Filed	Yes
Rate	State pages	Filed	Yes

SERFF Tracking Number: CNAC-125672718 *State:* Arkansas
Filing Company: Continental Casualty Company *State Tracking Number:* #229668 \$100
Company Tracking Number: 08-R2220
TOI: 05.0 Commercial Multi-Peril - Liability & Non- Sub-TOI: 05.0000 CMP Sub-TOI Combinations
Liability
Product Name: Dental Professional Liability Program
Project Name/Number: Dental Professional Liability Program/08-R2220

Rate Information

Rate data does NOT apply to filing.

SERFF Tracking Number: CNAC-125672718 State: Arkansas
 Filing Company: Continental Casualty Company State Tracking Number: #229668 \$100
 Company Tracking Number: 08-R2220
 TOI: 05.0 Commercial Multi-Peril - Liability & Non- Sub-TOI: 05.0000 CMP Sub-TOI Combinations
 Liability
 Product Name: Dental Professional Liability Program
 Project Name/Number: Dental Professional Liability Program/08-R2220

Rate/Rule Schedule

Review Status:	Exhibit Name:	Rule # or Page #:	Rate Action	Previous State Filing Attachments Number:
Filed	CW Replacement pages Only	12 pages in all	Replacement	CCC CW Replacement Pages 0308.pdf
Filed	State pages	pages 1 thru 6	Replacement	AR State Pages 0308.pdf

**COMPANY PAGES
FOR
DENTAL PROFESSIONAL PROGRAM
CONTINENTAL CASUALTY COMPANY**

VII. ADDITIONAL PREMIUM CHARGES

- A. Prorate all changes requiring additional premium.
- B. Apply the rates and rules that were in effect at the inception date of this policy period. After computing the additional premium, charge the amount applicable from the effective date of the change, even if the policy inception premium was less than the policy writing minimum premium.
- C. Waive additional premium of \$15.00 or less. This waiver only applies to cash exchange due on an endorsement effective date.

VIII. RETURN PREMIUM

- A. Deletion of any coverage, other than optional coverages, is not permitted unless the entire policy is canceled.
- B. Compute return premium at the rates used to calculate the policy premium at the inception of this policy period.
- C. Compute return premium pro rata and round in accordance with the Whole Dollar Rule when any coverage or exposure is deleted or an amount of insurance is reduced.
- D. Waive return premium of \$15.00 or less. Grant any return premium due if requested by the insured. This waiver only applies to cash exchange due on the endorsement effective date.
- E. Retain the policy writing minimum premium.

IX. COVERAGES

Coverages under this policy shall be as described in the respective Coverage Parts. It shall be permissible to attach more than one Coverage Part to the policy. The following are the combinations of coverages that are available under this policy:

- Professional Liability and General Liability
- Professional Liability, General Liability, and Property
- Professional Liability only
- General Liability and Property
- Property Only
- Non-Student Dental Board Exam
- Student Dental
- Volunteer Dental**

Note: General Liability cannot be purchased on a stand-alone basis.

Available coverages under this program are:

- A. Professional Liability on a claims-made basis or occurrence basis.

Required coverages under professional liability are:

- 1. Special Extra Expense (HIV);
- 2. Defense Coverage - Dental Professional Licensing Board; and
- 3. Employment Practices Liability - \$25,000 per Claim/\$25,000 Aggregate Defense Coverage*

* Note: This required coverage is waived when the insured purchases EPL Indemnity & Defense Coverage as that endorsement already includes defense coverage.

**COMPANY PAGES
FOR
DENTAL PROFESSIONAL PROGRAM
CONTINENTAL CASUALTY COMPANY**

I. DENTAL PRACTITIONERS CLASSIFICATIONS - CALCULATION OF PREMIUM - Professional Liability Coverage

The premium for the policy shall be the sum of the applicable charges developed below.

- A. The actual ISO Dental Classifications, definitions and rates for Class Codes 80210 and 80211 do not apply.

The following Codes shall apply under this plan:

Class	Description	Code No.
I.	Dentists who perform dentistry on patients who have been treated with local anesthesia and/or oral medication and/or nitrous oxide/oxygen sedation and/or conscious sedation. Does not apply to treatment involving any general anesthesia or deep sedation unless administered in a hospital or state licensed and regulated surgical center. Also, dental radiologists are included.	80211 & 80253
III.	All oral surgeons. In addition, this applies to dentists as defined in Class 80211 who perform dentistry utilizing general anesthesia or deep sedation, unless performed in a hospital or state licensed and regulated surgical center, in which case class 80211 will apply.	80210
IV.	Dental School Faculty – Teaching dentists and graduate students with no intramural practice.	80213
VI.	Professional Corporations or Partnerships	80999
IX.	Dental Anesthesiologists whose practice does not include deep sedation and/or general anesthesia.	90100
X.	Dental Anesthesiologists whose practice includes deep sedation and/or general anesthesia.	90101
XI.	Volunteer Dentists providing dental services and receiving no remuneration.	72990

- B. The annual rates, under occurrence, for each dentist are stated in the State Rate Page.

The annual rates, under claims-made, for each dentist shall be determined for Classes I., III., IX. and X. only, as follows:

1. If the dentist is just entering practice, or the dentist has continuously been insured under an "occurrence" policy, enter the step rate factor from the Table at the year one level.
2. If the dentist has been insured under a "claims-made" policy, for one or more years immediately preceding the effective date of this coverage, or for reasons acceptable to the Company had been uninsured, the following procedure shall apply:
 - a. determine the number of years in which the dentist was covered under such claims-made policy(ies);
 - b. determine the number of years in which the dentist was uninsured;

**COMPANY PAGES
FOR
DENTAL PROFESSIONAL PROGRAM
CONTINENTAL CASUALTY COMPANY**

- c. the sum of years developed in a. and b. shall be the base exposure. Fractional years of six months or more of base exposure shall be rounded to the next higher year; less than six months shall be rounded to the next lower year;
- d. the sum of years developed in c. above shall be the Years of Prior Exposure. The Table is entered at the total prior Years of Exposure, plus one.

The factors in the following Table shall be applied to the full time Class I., III., IX. or X. rate, found on the State Page, in effect at the inception of the last claims-made policy.

Classes	Step Rate Factors				
	Year 1	Year 2	Year 3	Year 4	Year 5
I, III, IX, X	0.29	0.54	0.73	0.81	0.90

- C. Any (a) rated risk written under this program shall maintain a complete file, including all details of the factors used in determining the modification and make the file available to state regulators on request. Rates shall not be inadequate, excessive or unfairly discriminatory and will follow individual state regulations.

II. ADDITIONAL CLASSIFICATIONS

A. New Dentist

A "new" dentist is defined as one of the following who enters full-time private or group practice:

- i. a student who has completed their training within the previous twelve months from license date
- ii. a military dentist within twelve months of honorable military discharge
- iii. a foreign dental school graduate who has not previously practiced in the US or its territories
- iv. **a licensed dentist who has only previously practiced in the public service sector.**

The following credits will apply:

- 60% of the first year in practice
- 40% of the second year in practice
- 20% of the third year in practice
- 10% of the fourth year in practice

B. Corporations/Partnerships/Associations

It shall be permissible to provide coverage for a corporation, partnership or association for liability arising from the practice of member dentists insured by the Company. Such coverage may be provided either:

- a. on a shared limit of liability basis with the member practitioner, in which case no additional premium shall be charged; or
- b. on a separate limit of liability basis. The limit of liability shall be equal to the highest limits provided to any one individual member practitioner. Additional premium shall be 10% of the total developed liability premium for each member.

**COMPANY PAGES
FOR
DENTAL PROFESSIONAL PROGRAM
CONTINENTAL CASUALTY COMPANY**

C. Additional Insured

An additional insured, other than Corporations/Partnerships/Associations, may be added to the policy at a charge of 5% of the policy's Professional Liability charge.

(This charge does not apply to an additional insured who owns or finances leased equipment to the insured.)

A Special Events endorsement (PL) may be added **at no additional charge**.

D. Disability/Leave of Absence

A practitioner who becomes disabled, or is on leave of absence for a period of 45 days or more, but less than 180 days, may be eligible for restricted coverage at a rate reduction of 75% of the applicable rate for the period of disability or leave of absence. This will apply retroactively to the first day of disability or leave of absence.

Leave of absence may include time to enhance the practitioner's education, but, does not include vacation time.

E. Part Time

A part time credit of 50% of the applicable rate will apply to any practitioner who works 20 hours or less per week. This credit will not apply if the first year "new dentist" credit has been applied.

F. Professional Societies

Professional Liability coverage may be provided to state or local societies or organizations established to support the professional community. The following charge will apply:

<u>Rating Basis</u>	<u>Premium</u>
Insured Society	\$255.00 Flat Charge
Component Society (member society of insured society)	\$ 51.00 Flat Charge

G. Locum Tenens

Coverage for a practitioner substituting for an insured will be limited to cover only professional services rendered on behalf of an insured for the specified time period. Locum Tenens will share in the insured's limit of liability. There is no additional charge for a period not to exceed 60 days.

H. Volunteer Dentist

Coverage is written on an occurrence only basis for an annual premium of \$200.

III. VICARIOUS LIABILITY - Independent Contractors and Non-Insured Employed Dentists

A charge of 10% of the named insured's premium per independent contractor and non-insured employed dentist will apply for the additional Vicarious Liability assumed by the insured as a result of such situations.

**COMPANY PAGES
FOR
DENTAL PROFESSIONAL PROGRAM
CONTINENTAL CASUALTY COMPANY**

C. Experience Rating

Based on the claim history of an individual practitioner over the preceding five year period, a debit will be applied to the classification rate. If there is claim activity during the last 5 years, the preceding 5 years would be reviewed. Criteria used to determine the application of such debits shall include claim history including a review of a combination of cause of loss, frequency, severity, indemnity payments, expenses and reserves.

Such debits, if applied, shall apply on a one year basis and will be subject to annual review.

D. Group Discounts

A single group practice policy issued to ten or more dentists is eligible for a premium discount based upon the total number of dentists and oral surgeons within the group. This discount is based on the size of the group to reflect the lower acquisition costs, reduced administrative expenses (including billing and collection) and the potential savings due to lower losses. (Group Practice appears to reduce losses due to internal risk management and other control and quality factors inherent in the group.) The following discount is applicable:

<u>Group Size</u>	<u>Premium Credit</u>
10+	15%

VI. CHANGE OF CLASSIFICATION

In the event that the insured changes classifications, a charge reflecting the difference between the previous classification and the new classification shall be calculated and collected at the time of the change of classification unless:

- A. both the prior and current classification falls within the same class;
- B. the practitioner changed classifications more than 4 years ago while insured under claims-made coverage;
- C. the practitioner changed classifications at any time while insured under occurrence coverage; or
- D. the insured is otherwise eligible for Extended Reporting Period Coverage at no charge.

Premium Adjustment

The following procedure should be used to calculate the exposure surcharge applicable under this Rule:

- A. Calculate the at-limits Extended Reporting Period premium appropriate for:
 - 1. the previous classification according to the rates and rules contained herein; and
 - 2. the premium appropriate for the current classification.
- B. If the at-limits Extended Reporting Period premium for the current classification:
 - 1. is less than the premium for the previous classification, the dollar amount of difference is the charge to be applied; or
 - 2. exceeds the premium for the previous classification, there shall be no charge.

**COMPANY PAGES
FOR
DENTAL PROFESSIONAL PROGRAM
CONTINENTAL CASUALTY COMPANY**

C. The amount of any additional charge is adjusted according to the following vesting schedule:

The vesting schedule also applies when going from full-time to part-time.

Discount

100%	10 consecutive years of CNA coverage
90%	9 consecutive years of CNA coverage
80%	8 consecutive years of CNA coverage
70%	7 consecutive years of CNA coverage
60%	6 consecutive years of CNA coverage
50%	5 consecutive years of CNA coverage
40%	4 consecutive years of CNA coverage
30%	3 consecutive years of CNA coverage
20%	2 consecutive years of CNA coverage
10%	1 full year of CNA coverage
0%	Less than 1 full year of CNA coverage

VII. INCREASED LIMITS OF LIABILITY

Higher limits on **claims-made** policies may be elected up to a maximum liability limit of \$5,000,000 per claim/\$8,000,000 aggregate on the following basis:

Limits of Liability	Increased Limit Factor	
	Classes	
	<u>I & IX</u>	<u>III & X</u>
\$1,000,000/3,000,000	.020	.020
\$2,000,000/3,000,000	.160	.190
\$2,000,000/4,000,000	.176	.206
\$2,000,000/6,000,000	.204	.234
\$3,000,000/3,000,000	.260	.300
\$3,000,000/6,000,000	.308	.348
\$4,000,000/4,000,000	.325	.375
\$5,000,000/5,000,000	.375	.425
\$5,000,000/8,000,000	.424	.474

Rates are based off of the \$1,000,000/1,000,000 rates.

Higher limits on **occurrence** policies may be elected up to a maximum liability limit of \$2,000,000 per claim/\$2,000,000 aggregate on the following basis:

Limits of Liability	Increased Limit Factor	
	Classes	
	<u>I & IX</u>	<u>III & X</u>
\$1,000,000/3,000,000	.020	.020
\$2,000,000/2,000,000	.150	.180

Rates are based off of the \$1,000,000/1,000,000 rates.

**COMPANY PAGES
FOR
DENTAL PROFESSIONAL PROGRAM
CONTINENTAL CASUALTY COMPANY**

- B. The premium will be charged annually, but calculated in advance:
1. Determine the current premium under this policy for limits of \$1,000,000/\$1,000,000.
 2. Enter the table at the appropriate Prior Acts Period.
 3. Apply Reporting Period factor(s) successively for the desired number of years of Reporting Period:

Prior Acts Period	Reporting Period			Prepaid Factors
	<u>1st year</u>	<u>2nd year</u>	<u>3rd year</u>	
1 year prior	.28	.25	.22	.71
2 years prior	.45	.41	.32	1.11
3 years prior	.55	.44	.40	1.31
4 or more years prior	.62	.45	.42	1.41

4. Apply the appropriate Decreased Limits Factor, if applicable:

<u>Decreased Limits (in \$000s)</u>	<u>Factor</u>
\$100 / \$300	.449
200 / 600	.590
250 / 750	.638
300 / 800	.682
400 / 900	.760
500 / 1,000	.816
1,000 / 1,000	1.000

- C. **Prior Acts for Employment Practices Liability Indemnity & Defense Coverage**

For insureds that do not have an EPL Indemnity & Defense policy during the policy year prior to purchasing the coverage from CNA, the prior acts date is the inception date of the first EPL Indemnity & Defense policy with CNA.

For insureds that have a prior EPL Indemnity & Defense policy with another carrier during the policy year prior to purchasing the coverage from CNA, prior acts coverage may be afforded. The prior acts date is the date of the first year of that continuous coverage with the other carrier. The charge for the prior acts coverage is \$30.

X. LOCATION OF PRACTICE

The rates as shown in this manual contemplate the exposure as being derived from professional practice within the state. An exception will be allowed for those who derive 25% or less of their practice time from outside the state. Those who derive more than 25% of their practice time outside the state shall be referred to the Company for underwriting approval and rating. We will charge the higher rate if there is multi-state exposure.

XI. Consulting Service Liability

Consulting Service Liability coverage is included on a shared limit basis at no additional cost.

**COMPANY PAGES
FOR
DENTAL PROFESSIONAL PROGRAM
CONTINENTAL CASUALTY COMPANY**

I. BUSINESS LIABILITY - (General Liability)

A. General Liability coverage written in conjunction with Property coverage (with or without Professional Liability coverage)

When written for a Dentist's premises, this coverage shall be rated on the basis of "first office" location and "each additional office" location. **If aggregate limits are to be applied separately to each location, the "first office" rate is to be used for each location.** The "each additional office" charge shall not apply to Independent Contractors.

First Office:	\$175.00
Each Additional Office:	\$122.00

It shall not be permissible to provide coverage at a location where the dentist does not maintain a practice.

B. General Liability coverage written in conjunction with Professional Liability coverage only

When written for a Dentist's premises, this coverage shall be rated on the basis of "first office" location and "each additional office" location. **If aggregate limits are to be applied separately to each location, the "first office" rate is to be used for each location.** The "each additional office" charge shall not apply to Independent Contractors.

First Office:	\$50.00
Each Additional Office:	\$39.00

It shall not be permissible to provide coverage at a location where the dentist does not maintain a practice.

C. Additional Insured

An employer may be added to the policy at a charge of 5% of the policy's General Liability charge.

A Special Events endorsement (GL) may be added **at no additional charge.**

II. LIMITS OF LIABILITY – (General Liability)

The rates listed above are for limits of \$1,000,000 (each claim) / \$2,000,000 (aggregate). Other limits are available and are associated with the following factors (which are with respect to the \$1M/2M rate).

Individual Practice:

Increased Limit	Increased Limit Factor
\$1M/2M	1.000
\$1M/3M	1.011
\$2M/2M	1.071
\$2M/3M	1.085
\$2M/4M	1.098
\$2M/6M	1.124
\$3M/3M	1.160
\$3M/6M	1.202
\$4M/4M	1.240
\$5M/5M	1.320
\$5M/8M	1.351

**COMPANY PAGES
FOR
DENTAL PROFESSIONAL PROGRAM
CONTINENTAL CASUALTY COMPANY**

III. ERISA FIDUCIARY AND EMPLOYEE BENEFITS LIABILITY INSURANCE

This coverage may be provided at the following limits and rates:

<u>Limit</u>	<u>Premium</u>
\$100,000/100,000	\$132
\$250,000/250,000	\$162
\$500,000/500,000	\$200
\$750,000/750,000	\$227
\$1,000,000/1,000,000	\$250

IV. FIRE AND WATER LEGAL LIABILITY

The annual premium charges for Fire Damage limits excess of basic limit of \$500,000 are:

<u>Limit</u>	<u>Premium</u>
\$750,000	\$63
\$1,000,000	\$125

**COMPANY PAGES
FOR
DENTAL PROFESSIONAL PROGRAM
CONTINENTAL CASUALTY COMPANY**

Quarterly Increase Percentage	% of Annual Building / Blanket Property Premium	Quarterly Increase Percentage	% of Annual Building / Blanket Property Premium
0.30%	0.45%	2.5%	3.75%
0.40%	0.60%	3.0%	4.50%
0.50%	0.75%	3.5%	5.25%
1.00%	1.50%	4.0%	6.00%
1.50%	2.25%	4.5%	6.75%
2.00%	3.00%	5.0%	7.50%

The Quarterly percentage selected by the insured must apply to the selected subject(s) of insurance at all locations insured under the policy.

5. Time Element Coverages - Practice Income, Rents, Extra Expense

a. Practice Income is provided on:

- i. A Value Daily Limit basis, beginning no sooner than 24 hours after the loss occurs for 32.5 days. Coverage may be increased by lengthening the number of days coverage applies (up to a maximum of 180 days). Coverage limit equals the daily income. Apply the Blanket Practice Personal Property rate to the total aggregate limit to calculate premium charge, where the total aggregate limit is the daily coverage limit times the number of coverage days.
- ii. An Actual Loss Sustained basis, beginning no sooner than 24 hours after the loss occurs for a maximum of 12 months. Premium charge equals 11.5% of the final Blanket Practice Personal Property premium as calculated in Rule I.B.2.b. There is no charge for the Actual Loss Sustained if the amount of Daily Value Limit purchased is equal to the actual daily income as supported by financial documentation.
- iii. Ten percent of the Practice Income premium will be charged in order to provide coverage for the first 24 hours of the loss.

b. Rents Coverage

Charges will be determined by applying the following to the limit of liability:

- i. the applicable building rates; and
- ii. modified by a factor of .55.

c. Extra Expense Coverage

Extra Expense Coverage is provided on an Actual Loss Sustained Basis for a period of 12 months beginning no sooner than 24 hours after the loss occurs. This coverage is provided at no charge.

d. Business Income Limit

An endorsement can be applied to remove the \$1,000,000 limit on the Business Income coverage for a fee of \$500.

**COMPANY PAGES
FOR
DENTAL PROFESSIONAL PROGRAM
CONTINENTAL CASUALTY COMPANY**

C. Optional Coverages

1. Dishonesty Coverage

- a. Employee Dishonesty Insurance applicable to Blanket Practice Personal Property may be purchased in accordance with Limit options shown in the following Table. When such coverage is purchased, it shall include, at no additional premium, coverage for Welfare and Pension Plans for which coverage is required under ERISA in an amount of \$25,000. This amount shall apply to coverage for Welfare and Pension Plans in addition to the purchased Employee Dishonesty Limit for Blanket Practice Personal Property.
- b. Employee Dishonesty Insurance will be charged on a "per policy" basis.
- c. Additional coverage beyond that provided in 1., above, for Welfare and Pension Plans, shall be charged by applying the rate shown to each additional \$1,000 of coverage.

Limits of Liability		Premium
Money / Securities	Pension / Welfare	
50,000	25,000	245.00
75,000	25,000	332.00
100,000	25,000	425.00
Increased Limits – Pension / Welfare (per \$1,000)		\$1.50

2. Increased Theft coverage for Precious Metals, beyond the \$2,500 provided by the policy, may be purchased. The rate for such additional coverage shall be \$0.60 per \$100 of value.
3. Increased Values of Signs not attached to the Building may be purchased. Value of signs attached to the building shall be included in the valuation of the Building.
4. Ordinance or Law **Building** Coverage - The first \$100,000 is provided at no charge. Additional limits may be purchased according to the following:
 - a. Loss of value to Undamaged Portion of Building may be purchased. No separate limit of insurance is required. When this coverage is increased, an additional charge equal to 10% of the building premium will apply.
 - b. Demolition Cost and Increased Cost of Construction may be purchased. When this coverage is increased, multiply the Building Base Rates by the limit of additional insurance, per \$100.
5. **Ordinance or Law Tenant Improvements and Betterments Coverage with a limit of \$100,000 is provided at no charge.**
6. Increased amounts of Dentist's Electronic Equipment coverage and Dentist's Electronic Equipment Extra Expense coverage may be purchased. The rate for such additional coverage shall be \$0.50 per \$100.00 of coverage, if the insureds meets specified underwriting criteria. Otherwise, the rate for such additional coverage shall be \$0.75 per \$100.00 of coverage.

**COMPANY PAGES
FOR
DENTAL PROFESSIONAL PROGRAM
CONTINENTAL CASUALTY COMPANY**

7. Back Up of Sewer or Drain with a limit of \$25,000 is provided at no charge. Increased limits can be purchased using the following rates:

<u>Limit</u>	<u>Per Location Charge</u>
\$50,000	\$40
\$100,000	\$80

8. HVAC Equipment Breakdown coverage may be purchased. The rate is \$0.13 per \$1,000 limit.
9. The PPP Gold endorsement is available at a rate of \$100.
10. A flat premium of \$25 will be charged each policy.

II. INDIVIDUAL RISK PREMIUM MODIFICATION PLAN - PROPERTY COVERAGE

This Plan shall be applied after the application of all other rating procedures.

- A. Eligibility: This Plan may be applied to:
- Blanket Practice Personal Property Coverages
 - Building Coverages
- B. Limitations: This Plan may not be applied to:
- Employee Dishonesty Coverage
 - Welfare and Pension Plan Coverage
 - Base Loading
 - PPP Gold Endorsement
 - Flat Premium
 - Equipment Breakdown Coverage
- C. Rating Procedure

The following modifications may be applied to recognize such special characteristics of the risk as are not fully reflected in the basic premium or rates. These modifications contemplate the standard allowance for expenses. If the expenses are less than standard, such modification, if a credit, shall be increased, or if a debit, shall be decreased by the amount of reduction in expenses. The total credits or debits under the following Table may not exceed 25%:

<u>RANGE OF RISK CHARACTERISTICS</u>	<u>MODIFICATIONS</u>		
	<u>Credits</u>		<u>Debits</u>
1. LOCATION			
Accessibility, congestion and exposures	10%	to	10%
2. BUILDING FEATURES			
Age, condition, and unusual structural features	10%	to	10%
3. PREMISES AND EQUIPMENT			
Care, condition, and type	10%	to	10%
4. PROTECTION			
Not otherwise recognized	10%	to	10%

COMPANY STATE PAGE
FOR
DENTAL PROFESSIONAL PROGRAM
CONTINENTAL CASUALTY COMPANY

I. Amended Rules - General

Reserved for future use.

II. Amended Rules - General Liability (GL)

Reserved for future use.

III. Amended Rules - Professional Liability (PL)

A. In the event of termination of coverage for any reason, a 60 day automatic extended reporting period will be granted to the Named Insured at no additional cost. If a claims-made relationship, meaning that period of time between the effective date of the first claims-made policy issued by this Company and the cancellation or nonrenewal of the last consecutive claims-made policy between the Named Insured and the Company, where there has been no gap in coverage, but not including any period covered by extended claim reporting period coverage of one year or more, then the Named Insured will have the option to purchase additional extended reporting period coverage in accordance with the policy provisions. The premium shall be calculated by applying the appropriate factor to the mature rate in effect at the time the policy was issued or last renewed. The provisions of the extended claim reporting period coverage will not apply, except for the sixty day automatic extended claim reporting period, if the claims-made relationship has been less than one year and the policy has been terminated for nonpayment of premium or fraud.

B. Rule V, SUPPLEMENTAL MODIFICATIONS-PROFESSIONAL LIABILITY, the following is added:

E. Association Credit

A 5% credit applies to the premium for each dentist who is a member of the Arkansas State Dental Association.

**COMPANY STATE PAGE
FOR
DENTAL PROFESSIONAL PROGRAM**

CONTINENTAL CASUALTY COMPANY

- C. Rule V, SUPPLEMENTAL MODIFICATIONS-PROFESSIONAL LIABILITY, C., Experience Rating, is deleted and replaced by the following:

- C. Experience Rating

Experience period: 5 years preceding the forthcoming policy year.

Application of Experience debit:

	<u>Debit</u>
No claims during the experience period:	0%
One claim during the experience period:	
that occurred in the 5 th previous year:	5%
that occurred in the 4 th previous year:	10%
that occurred in the 3 rd previous year:	15%
that occurred in the 2 nd previous year:	20%
that occurred in the 1 st previous year:	25%
More than one claim during the experience period:	Refer to Company

A claim is defined as paid indemnity or indemnity reserve in excess of \$2,000.

Such debits developed in accordance with the above shall apply on a one year basis and will be subject to annual review.

- D. Rule X., LOCATION OF PRACTICE, "referred to the Company" is amended and replaced by the following:

“Referred to the Company - subject to Insurance Department approval”

- E. Rule VIII., EXTENDED REPORTING PERIOD COVERAGE, A.1., is deleted and replaced as follows:

The limits of liability stated under this policy at the time of termination, death, disability, or retirement will be the limits of liability applying to the extended reporting period.

- F. Rule VIII., EXTENDED REPORTING PERIOD COVERAGE, A.4., applies to Employment Practices Liability Defense Only and Indemnity & Defense coverage.

- G. Rule VIII., EXTENDED REPORTING PERIOD COVERAGE, A.5., applies to Employment Practices Liability Defense Only and Indemnity & Defense coverage. The number of consecutive years of insurance with CNA is based on the number of consecutive years of Professional Liability insurance with CNA.

**COMPANY STATE PAGE
FOR
DENTAL PROFESSIONAL PROGRAM
CONTINENTAL CASUALTY COMPANY**

H. Rule VII., INCREASED LIMITS OF LIABILITY, is deleted and replaced as follows:

Higher limits on *claims-made and occurrence* policies may be elected up to a maximum liability limit of \$5,000,000 per claim/\$8,000,000 aggregate on the following basis:

Limits of Liability	Increased Limit Factor	
	Classes	
	<u>I & IX</u>	<u>III & X</u>
\$1,000,000/3,000,000	.020	.020
\$2,000,000/2,000,000	.150	.180
\$2,000,000/3,000,000	.160	.190
\$2,000,000/4,000,000	.176	.206
\$2,000,000/6,000,000	.204	.234
\$3,000,000/3,000,000	.260	.300
\$3,000,000/6,000,000	.308	.348
\$4,000,000/4,000,000	.325	.375
\$5,000,000/5,000,000	.375	.425
\$5,000,000/8,000,000	.424	.474

Rates are based off of the \$1,000,000/1,000,000 rates.

IV. Territorial Definitions - Professional Liability (PL)

Territory I: Entire State

V. Rates - Professional Liability (PL)

A.

\$1M/\$1M	
Class	Occurrence
I	\$1,029
III	\$6,173
IV	\$200
IX	\$3,601
X	\$7,201

B. Employment Practices Liability – Defense Only

The annual charge for this coverage will be \$60 per each named insured having separate \$25,000 limits of liability.

Corporations will share the \$25,000 limits of liability with the named insured, unless specifically requesting separate limits. Separate limits will be subject to the \$60 charge.

**COMPANY STATE PAGE
FOR
DENTAL PROFESSIONAL PROGRAM
CONTINENTAL CASUALTY COMPANY**

Note: The required coverage and associated charge are waived when the insured purchases the EPL Indemnity & Defense Coverage as the rates below already contemplate the \$60 defense charge.

Employment Practices Liability – Indemnity & Defense

The annual charge for this coverage is per each named insured having separate limits of liability. The table below is used to calculate the rate:

Combined Indemnity & Defense <u>Limit of Liability</u>	<u>Flat Rate for First 10 Employees</u>
\$ 25,000	\$ 235
\$ 50,000	\$ 270
\$ 75,000	\$ 305
\$100,000	\$ 355
\$250,000	\$ 494
\$500,000	\$ 586
\$750,000	\$ 622
\$1,000,000	\$ 657

\$20 per employee over the first 10 employees.

Corporations will share the limits of liability with the named insured, unless specifically requesting separate limits. Separate limits will be subject to the rates listed in the table above.

C. Extended Reporting Period Coverage for Employment Practices Liability

Defense Only Coverage and Indemnity & Defense Coverage

A factor of 0.75 will be applied to the EPL rate.

Defense Only Coverage when converting to an Indemnity & Defense Coverage

No charge.

VI. Amended Rules - Property

- A. Rule II., INDIVIDUAL RISK PREMIUM MODIFICATION PLAN, C., Rating Procedure, is amended as follows: The total credits or debits under the following table may not exceed 40%:

<u>RISK CHARACTERISTICS</u>	<u>RANGE OF MODIFICATIONS</u>	
	<u>Credits</u>	<u>Debits</u>
1. LOCATION: Accessibility, congestion and exposures	15%	15%
2. BUILDING FEATURES: Age, condition and unusual structural features	15%	15%
3. PREMISES AND EQUIPMENT: Care, condition and type	15%	15%

**COMPANY STATE PAGE
FOR
DENTAL PROFESSIONAL PROGRAM
CONTINENTAL CASUALTY COMPANY**

4. PROTECTION:
Not otherwise recognized 15% 15%

B. Additional Rule:

For "Flood" Coverage Endorsement [Form G-145161-A] we will be using the flood rates that are currently filed and approved for use under Division 5.

For Earthquake [Form G-145160-A] we will be using the ISO earthquake rates currently approved for use.

VII. Territorial Definitions - Property

Territory I: Entire State

VIII. Rates - Property

A. Blanket Practice Personal Property:

Construction (Code)	TER I
Frame (1)	0.886
Joisted Masonry (2)	0.592
Non-Combustible (3), Masonry Non-Combustible (4), Modified Fire Resistive (5), Fire Resistive (6)	0.546

B. Building:

Construction (Code)	TER I
Frame (1)	0.515
Joisted Masonry (2)	0.427
Non-Combustible (3), Masonry Non-Combustible (4), Modified Fire Resistive (5), Fire Resistive (6)	0.386

D. Base All-Risk Load - Per Policy

There will be a base All-Risk Loading of \$72 per policy.

IX. Package Discount Factors

Property and General Liability: 0.720
Professional Liability: 0.834



For All the Commitments You Make®

ARKANSAS (03)

**COMPANY STATE PAGE
FOR
DENTAL PROFESSIONAL PROGRAM
CONTINENTAL CASUALTY COMPANY**

X. Protection Class Multipliers

Protection Class	Multiplier
1	0.830
2	0.850
3	0.870
4	0.950
5	1.000
6	1.030
7	1.200
8	1.310
9	1.400
10	2.080

SERFF Tracking Number: CNAC-125672718 State: Arkansas
Filing Company: Continental Casualty Company State Tracking Number: #229668 \$100
Company Tracking Number: 08-R2220
TOI: 05.0 Commercial Multi-Peril - Liability & Non- Sub-TOI: 05.0000 CMP Sub-TOI Combinations
Liability
Product Name: Dental Professional Liability Program
Project Name/Number: Dental Professional Liability Program/08-R2220

Supporting Document Schedules

Satisfied -Name: NAIC FORMS	Review Status: Filed	06/26/2008
Comments:		
Attachments:		
AR PC TD r.pdf		
AR PC RR .pdf		
Satisfied -Name: Cover LEtter & Actuary Memo	Review Status: Filed	06/26/2008
Comments:		
Attachments:		
AR 08-R2220 Rates Cover let .pdf		
ActuarialMemo-AR.pdf		
Satisfied -Name: State Forms	Review Status: Filed	06/26/2008
Comments:		
Attachments:		
AR MMPCS.pdf		
AR RF-1.pdf		
Satisfied -Name: Exhibit	Review Status: Filed	06/26/2008
Comments:		
Attachment:		
AR Rate Change Exhibit.pdf		

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 #	08-R2220
--	----------

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

With this filing, Continental Casualty Company ("CNA") proposes a number of rate/rule changes to its Dental Professional Program. The changes are itemized by coverage in the enclosed actuarial 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]
<p>Check #: 0000229668 Amount: 100.00</p> <p>Refer to each state's checklist for additional state specific requirements or instructions on calculating fees.</p>

Effective March 1, 2007

*****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 #	08-2220
-----------	--	----------------

2.	This filing corresponds to form filing number (Company tracking number of form filing, if applicable)	N/A
-----------	---	------------

Rate Increase Rate Decrease Rate Neutral (0%)

3.	Filing Method (Prior Approval, File & Use, Flex Band, etc.)	P/A
-----------	--	------------

4a.	Rate Change by Company (As Proposed)						
------------	---	--	--	--	--	--	--

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)
Continental	N/A	-5.9%	-\$69,847	222	\$1,179,653	0.0%	-25.0%

4b.	Rate Change by Company (As Accepted) For State Use Only						
------------	--	--	--	--	--	--	--

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)	N/A	
5b.	Overall percentage rate impact for this filing	-5.9%	
5c.	Effect of Rate Filing – Written premium change for this program	-\$69,847	
5d.	Effect of Rate Filing – Number of policyholders affected	222	

6.	Overall percentage of last rate revision	Prop: 2.0%
-----------	---	-------------------

7.	Effective Date of last rate revision	7/1/2006
-----------	---	-----------------

8.	Filing Method of Last filing (Prior Approval, File & Use, Flex Band, etc.)	P/A
-----------	---	------------

9.	Rule # or Page # Submitted for Review	Replacement or Withdrawn?	Previous state filing number, if required by state
01	Countrywide Manual Pages: CCC-DENTAL-GENERAL-2 CCC-DENTAL-PL-1-3, 5, 6, 9 CCC-DENTAL-GL-1, 2 CCC-DENTAL-PROPERTY-2-4	<input type="checkbox"/> New <input checked="" type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	
02	Statewide Manual Pages: CCC-EX-5	<input type="checkbox"/> New <input checked="" type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	
03		<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	



40 Wall Street – 9th Floor
New York, New York 10005

Robert Alonzo

State Filing Analyst
P & C State Filing Unit
CNA Global Specialty Lines

May 30, 2008

Telephone 212-440-3478
Facsimile 212-440-2877
Toll Free 877-269-3277 x 3478
Internet robert.alonzo@cna.com

ARKANSAS INSURANCE DEPARTMENT
PROPERTY & CASUALTY DIVISION
1200 W 3RD ST
LITTLE ROCK AR 72201-1904

RE: Continental Casualty Company NAIC# 20443, FEIN# 36-2114545
National Dental Program –Rate Filing
Our File # 08-R2220

To Whom It May Concern:

On behalf of Continental Casualty Company, we submit for your review and approval the attached revised rates/rules for use with our approved National Dental Program currently on file with your department.

Enclose for your review please find:

- revised manual pages;
- actuarial memorandum.

We propose that this filing be effective for policies written on or after July 1, 2008, or the earliest date permitted by your state.

If you should need additional information, please feel free to contact me.

Sincerely,

Robert Alonzo

Robert Alonzo
State Filing Analyst

Continental Casualty Company

Dental Professional Program

Actuarial Memorandum Arkansas

With this filing, Continental Casualty Company (“CNA”) proposes a number of changes to its Dental Professional Program in Arkansas. The overall impact of these changes is -5.9%. These changes are itemized below:

Changes to the Countrywide Pages:

Volunteer Coverage

A class has been added for Volunteer Dentists. The existence of the coverage has been added to page CCC-DENTAL-GENERAL-2, CCC-DENTAL-PL-1, and CCC-DENTAL-PL-3. As this is a new class, there will be no rate impact.

Dental Radiologists

The Dental Radiologists class code has been added to Class I. The Class I rates will be used for these professionals. See page CCC-DENTAL-PL-1. As this is a new class, there will be no rate impact.

New Dentist Discount

The format of the New Dentist Discount section has changed, which has caused no change to the use of the discount. A licensed dentist who has only previously practiced in the public service sector has been added as a definition of a new dentist. See page CCC-DENTAL-PL-2. The rate impact will be negligible due to this addition.

Group Discount

A 15% discount has been added for single group practice policies issued to ten or more dentists to page CCC-DENTAL-PL-5.

Increased Limit Factor

An increased limit factor for \$2M/\$6M has been added to pages CCC-DENTAL-PL-6 and CCC-DENTAL-GL-1. Since these limits are being offered in addition to our other limits, there will be no rate impact.

Consulting Service Liability

The charge for the Consulting Service Liability coverage has been removed. (CCC-DENTAL-PL-9)
The rate impact will be negligible due to this subtraction.

Special Events Endorsement

The charge for the Special Events Endorsement has been removed. See pages CCC-DENTAL-PL-3 and CCC-DENTAL-GL-1. The rate impact will be negligible due to this subtraction.

Per Location General Liability Limit

The ability to buy aggregate limits per location has been added. Previously, insureds were only able to buy aggregate limits for all locations. Since the limit is being offered in addition to the aggregate limit for all locations, there will be no rate impact. (CCC-DENTAL-GL-1)

ERISA rates

Increased limits have been added for the ERISA coverage. The \$500K and \$1M rates are based off of our CNA Connect rates, and the \$250K and \$750K rates are interpolated using an exponential curve. The change is reflected on page CCC-DENTAL-GL-2. There will be no rate impact since these are new limits.

Fire/Water Legal Liability

Additional Limits are added for Fire and Water Legal Liability coverage based on the rates for CNA's Long Term Care coverage. Since these limits are being offered in addition to our basic limit, there will be no rate impact. See page CCC-DENTAL-GL-2.

Business Income Waiting Period

The option of eliminating the 24 hour waiting period for Business Income average has been added. See page CCC-DENTAL-PROPERTY-2. Because this is a new option, there will be no rate impact.

Business Income Limit

The ability to remove the \$1M limit for Business Income coverage has been added to page CCC-DENTAL-PROPERTY-2. Because this is a new coverage, there will be no rate impact.

Employee Dishonesty

The limit of liability for Pension and Welfare coverage has been increased from \$15,000 to \$25,000 at no additional charge. See page CCC-DENTAL-PROPERTY-3.

Ordinance or Law Tenant Improvements or Betterments

Coverage has been added for Ordinance or Law Tenant Improvements or Betterments to page CCC-DENTAL-PROPERTY-3. Because there is no charge, and this is a new coverage, there will be no rate impact.

Equipment Breakdown Coverage

Rates were adopted from CNA's Business Owners Package Policy for the Equipment Breakdown coverage. These new rates are on page CCC-DENTAL-PROPERTY-4. The countrywide rate impact is -0.2%.

Back of Sewer or Drain Coverage

Rates were adopted from CNA's Business Owners Package Policy. As this is a new coverage, there is no rate impact. See page CCC-DENTAL-PROPERTY-4.

Changes to the State Pages:

Property Building Rates

The Property Building Rates are being decreased by 25%, which causes an overall rate decrease of -4.6% for property coverages. The new rates are on page CCC-EX-5.

Increased Limit Factor

An increased limit factor for \$2M/\$6M has been added to page CCC-EX-3. Since these limits are being offered in addition to our other limits, there will be no rate impact.

Revised versions of the countrywide manual pages as well as revised state exception pages, reflecting the changes outlined above are included with this submission.

**Malpractice Premium Comparison Survey Form
FORM MMPCS - last modified April, 2006**

USE THE APPROPRIATE FORM BELOW - IF NOT APPLICABLE, LEAVE BLANK

NAIC Number: 20443
 Company Name: Continental Casualty Company
 Contact Person: Robert Alonzo
 Telephone No.: 212-440-3478
 Email Address: robert.alonzo@cna.com
 Effective Date: 7-1-2008

Submit to: *Arkansas Insurance Department
 1200 West Third Street
 Little Rock, AR 72201-1904*

Telephone: *501-371-2800*

Email as an attachment to insurance.pnc@arkansas.gov

You may also attach to a SERFF filing or submit on a cdr disk

Physicians

	Hospital	Clinic	Private
Base Rate	\$ <u>N/A</u>	\$ <u>N/A</u>	\$ <u>N/A</u>
At 500,000/1,000,000			
Discounts and Surcharges			
Emergency Room	<u>N/A</u> %	<u>N/A</u> %	<u>N/A</u> %
Surgery	<u>N/A</u> %	<u>N/A</u> %	<u>N/A</u> %
Delivery	<u>N/A</u> %	<u>N/A</u> %	<u>N/A</u> %
Claims Free	<u>N/A</u> %	<u>N/A</u> %	<u>N/A</u> %
Over 5 years Experience	<u>N/A</u> %	<u>N/A</u> %	<u>N/A</u> %
Other:	<u>N/A</u> %	<u>N/A</u> %	<u>N/A</u> %

Dental

	Dentist	Orthodontist	Oral Surgeons
Base Rate	\$ <u>462</u>	\$ <u>462</u>	\$ <u>2772</u>
At 100,000/300,000			
Discounts and Surcharges			
Claims Free	<u>N/A</u> %	<u>N/A</u> %	<u>N/A</u> %
Over 5 years Experience	<u>N/A</u> %	<u>N/A</u> %	<u>N/A</u> %
Surgery	<u>N/A</u> %	<u>N/A</u> %	<u>N/A</u> %
Other:	<u>N/A</u> %	<u>N/A</u> %	<u>N/A</u> %

ARKANSAS INSURANCE DEPARTMENT RATE FILING ABSTRACT

Form RF-1

Rev. 4/96

Insurer Name: Continental Casualty Company
 NAIC Number: 0218-20443
 Name of Advisory Organization Whose Filing You are Referencing N/A
 Co. Affiliation to Advisory Organization: Member _____ Subscriber _____ Service Purchaser _____
 Reference Filing #: N/A Proposed Effective Date: _____

Contact Person: Robert Alonzo
 Signature: *Robert Alonzo*
 Telephone No: 212-440-3478

(1) LINE OF INSURANCE By Coverage	(2) Indicated % Rate Level Change	(3) Requested % Rate Level Change	FOR LOSS COSTS ONLY				
			(4) Expected Loss Ratio	(5) Loss Cost Modification Factor	(6) Selected Loss Cost Multiplier	(7) Expense Constant (If Applicable)	(8) Co. Current Loss Cost Multiplier
Professional Liability	N/A	N/A	N/A	N/A	N/A	N/A	N/A
General Liability	N/A	N/A					
Property	-13.5%	-4.6%					
TOTAL OVERALL EFFECT		-4.6%					

N/A Apply Lost Cost Factors to Future Filings? (Y or N)
0.0% Estimated Maximum Rate Increase for any Arkansas Insured (%)
-25.0% Estimated Maximum Rate Decrease for any Arkansas Insured (%)

Corresponds to Question 3 on RF-2 or RF-WC

Selected Provisions

Rate Change History 5 Year History Incurred Arkansas Countrywide A. Total Production Expense 23.0%
 AR Earned

Year	Policy Count	%	Eff. Date	Premium (000)	Losses (000)	Loss Ratio	Loss Ratio		
2002	80	12.2%	6/1/02	152	13	8.5%	63.9%	B. General Expense	5.0%
2003	90	5.9%	10/1/03	182	14	7.5%	46.2%	C. Taxes, License & Fees	1.9%
2004	100	-2.5%	9/1/04	189	21	11.2%	58.4%	D. Underwriting Profit & Contingencies	6.3%
2005	71	-7.1%	11/1/05	176	81	46.1%	64.9%	E. Other (explain)	0.0%
2006	204	0.9%	7/1/2006	197	58	29.4%	33.7%	F. TOTAL	36.2%

OVERALL PREMIUM LEVEL CHANGE
Entire State of Arkansas

Coverage Type	Inforce Premium @ 3/31/2008	Proposed Rate Change	Premium Level Impact [2]x[3]
[1]	[2]	[3]	[4]
Professional Liability Coverage	680,626	0.0%	0
Property Coverage [a]	417,041	-16.7%	(69,847)
General Liability Coverage [b]	81,986	0.0%	0
Total/Avg	1,179,653	-5.9%	(69,847)

NOTES

[a] Premium Change includes rate impact from Equipment Breakdown rate changes.

INDICATED AND SELECTED RATE CHANGE

Arkansas Property Coverage

Amounts in \$000's

Notice Year	Current Level Earned Premium	\$100K Limit Selected Ultimate Indemnity	Large Loss Load	Total Ultimate Indemnity	Loss Cost Trend Factor	Selected Ultimate ALAE	ALAE Trend Factor	Trended Ultimate Loss & ALAE	On-Level Loss & ALAE Ratio
[1]	[2]	[3]	[4]	[3]+[4]	[6]	[7]	[8]	[5]x[6]+[7]x[8]	[9]/[2]
[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]
1997	546	96	25	121	1.453	1	1.132	177	32.4%
1998	557	98	33	131	1.384	1	1.120	183	32.8%
1999	547	131	41	172	1.441	0	1.109	248	45.4%
2000	484	95	24	119	1.389	0	1.097	165	34.2%
2001	266	41	17	58	1.406	0	1.086	82	30.7%
2002	102	11	6	16	1.357	0	1.075	22	22.1%
2003	95	10	3	13	1.426	0	1.064	18	19.3%
2004	87	20	18	38	1.428	1	1.053	55	62.5%
2005	80	31	8	39	1.371	0	1.042	54	67.3%
2006	133	51	28	79	1.300	2	1.031	104	78.4%
Total/Avg	2,897	583	204	786		5		1,108	38.3%

Credibility Weighted Loss & ALAE Ratio

[11] Selected Loss & ALAE Ratio at Manual Rates	49.9%
[12] Credibility Constant K	2,386,029
[13] Credibility [a]	17.2%
[14] Complement of Credibility [b]	41.5%
[15] Cred Wtd Loss & ALAE Ratio [11] x [13] + [14] x (1 - [13])	42.9%

Loss & ALAE Ratio incl. Cats

[16] Non-Modeled Catastrophe Factor	1.143
[17] Modeled Catastrophe Factor	1.000
[18] Expected Loss & ALAE Ratio incl. Cats [15] x [16] x [17]	49.1%

Final Loss & LAE Ratio

[19] Average Countrywide Loss & ALAE Ratio After Credibility & Incl. Cats [b]	50.3%
[20] Loss & ALAE Ratio Relativity to CW [18] / [19]	0.976
[21] Selected Countrywide Loss & ALAE Ratio incl. Cats [c]	51.8%
[22] Loss & ALAE Ratio [20] x [21]	50.5%
[23] ULAE (as a % of loss) [d]	7.0%
[24] Final Loss & LAE Ratio [22] x (1 + [23])	54.1%

Selected Rate Change

[25] Fixed Expense [e]	5.0%
[26] Commission [e]	22.2%
[27] Arkansas's Premium Tax	2.5%
[28] Other Acquisition [e]	0.8%
[29] Target Comined Ratio [e]	93.7%
[30] Indicated Rate Change ([24] + [25]) / ([29] - [26] - [27] - [28]) - 1	-13.5%
[31] Selected Rate Change	-4.6%

NOTES

- [a] Credibility: SUM [2] from 2002 to 2006 / (SUM [2] from 2002 to 2006 + K).
 [b] Weighted Average of all States based on Current Premium Volume.
 [c] From Property Coverage, Exhibit II, Line [19].
 [d] From Property Coverage, Exhibit II, Line [20] / Property Coverage, Exhibit II, Line [19].
 [e] From Property Coverage, Exhibit III, Lines [1], [2], [4], & [9].

ON-LEVEL LOSS & ALAE RATIO

Countrywide Property Coverage

Amounts in \$000's

Notice Year	Current Level Earned Premium	\$100K Limit Selected Ultimate Indemnity	Large Loss Load	Total Ultimate Indemnity	Loss Cost Trend Factor	Selected Ultimate ALAE	ALAE Trend Factor	Trended Ultimate Loss & ALAE	On-Level Loss & ALAE Ratio
[1]	[2]	[3]	[4]	[3]+[4]	[6]	[7]	[8]	[5]x[6]+[7]x[8]	[9]/[2]
1997	35,656	7,236	1,916	9,152	1.453	254	1.132	13,583	38.1%
1998	34,230	7,090	2,377	9,467	1.384	241	1.120	13,375	39.1%
1999	30,278	6,250	1,945	8,195	1.441	201	1.109	12,035	39.7%
2000	26,682	7,097	1,818	8,916	1.389	181	1.097	12,584	47.2%
2001	23,778	6,584	2,795	9,379	1.406	232	1.086	13,441	56.5%
2002	21,432	5,081	2,704	7,785	1.357	184	1.075	10,759	50.2%
2003	20,870	4,159	1,348	5,507	1.426	177	1.064	8,044	38.5%
2004	19,515	3,600	3,308	6,908	1.428	126	1.053	10,000	51.2%
2005	18,639	3,500	876	4,376	1.371	165	1.042	6,171	33.1%
2006	18,257	3,300	1,826	5,126	1.300	126	1.031	6,792	37.2%
Total/Avg	249,337	53,898	20,913	74,810		1,887		106,782	42.8%

Average On-Level Loss & ALAE Ratios

[11] All Years	42.8%
[12] 3-Year Average - 2004 to 2006	40.7%
[13] 7-Year Average - 1999 to 2005	45.3%
[14] 6-Year Average - 2001 to 2006	45.1%
[15] 5-Year Average - 2001 to 2005	46.4%
[16] Selected Loss & ALAE Ratio	42.4%

Loss & LAE Ratio incl. Cats

[17] Non-Modeled Catastrophe Factor	1.143
[18] Modeled Catastrophe Factor	1.068
[19] Loss & ALAE Ratio incl. Cats [16] x [17] x [18]	51.8%
[20] ULAE (as a % of Premium)	3.6%
[21] Loss & LAE Ratio [19] + [20]	55.4%

EXPENSE PROVISIONS AND PERMISSIBLE LOSS RATIO

Property Coverage

Expense Ratios (as a % of Premium)

[1] Fixed Expense Ratio	5.0%
[2] Commission	22.2%
[3] Premium Tax	1.9%
[4] Other Acquisition Expenses	0.8%
[5] ULAE	3.6%
[6] Underwriting Profit Provision	6.3%

Permissible Loss & ALAE Ratio

[7] Total Expense and Profit Load [1] + [2] + [3] + [4] + [5] + [6]	39.8%
[8] Permissible Loss & ALAE Ratio 1 - [7]	60.2%

Target Combined Ratio

[9] Target Combined Ratio [8] + [7] - [6]	93.7%
---	-------