Service Reference Guide

Florida Personal Lines Rate Filing Support

A reference guide to Perr&Knight's Florida rate filing support services

PERR & KNIGHT

Florida: A Key Challenge For Insurers

Ask anyone who makes property and casualty personal lines rate and rule filings nationwide which insurance departments are the most difficult to obtain approvals from, and they're likely to include Florida in their top five.

Supporting and successfully obtaining approval on proposed rates and rules in the state of Florida is more difficult than ever before. In fact, approximately one out of every seven property and casualty personal lines rate filings submitted in past five years were withdrawn or disapproved by the Florida Office of Insurance Regulation (OIR).

The rate and rule filing challenges in Florida are of great concern to personal lines insurance companies who write business or want to write business in Florida. There is a lot at stake in Florida. It is the third largest state in terms of property and casualty written premium.

Florida Rate Filing Support Services

Perr&Knight offers several services to property and casualty insurance companies planning to submit rate and/or rule filings in Florida. Our services are designed to address a variety of needs and budgets. The services we offer include the following:

i-File Submission Review

The Florida OIR's electronic filing system, called i-File, is complicated and cumbersome. In addition, there are several "fatal errors" that filers can make when preparing their submissions that can't be fixed once a filing is submitted. These fatal errors, which can be as simple as answering a single question incorrectly, necessitate filing withdrawals and resubmissions which wastes valuable time.

Our actuaries are intimately familiar with Florida's i-File system. We can review a company's work unit on i-File to identify fatal errors and make appropriate corrections in order to avoid unnecessary withdrawals. We can typically complete these reviews in a day or two – a small amount of time to add to the submission process in order to avoid filing withdrawals that can add several weeks to the approval process.

Rate Filing Support Review

Many insurance companies have in-house actuaries or pricing personnel who are capable of developing and supporting proposed rates. But, the Florida OIR's rate filing support requirements are extremely arduous and specific. If a company's in-house staff is not familiar with Florida's particular requirements, their support may be considered insufficient and will likely result in extensive interrogatories which delay the approval process. In some cases, if the interrogatories are numerous, the Florida OIR will request the filing be withdrawn and resubmitted.

Perr&Knight's actuaries have supported and submitted hundreds of rate filings for nearly all personal lines of business in Florida. We know what support will be sufficient and what will not. We can review the support prepared by a company's in-house personnel and provide suggestions on changes to content and/or organization that will increase the chance of approval. Through this service, property and casualty insurance companies can take advantage of Perr&Knight's Florida rate filing knowledge and experience while still utilizing their in-house personnel for the bulk of the work.

Rate Filing Support Preparation

Perr&Knight's actuaries can prepare rate filing support for those property and casualty insurance companies without the in-house resources to do so. Through this service, companies can take full advantage of our expertise and experience with Florida rate filings.

Prior to filing, our actuaries will review the company's proposed rates, alert the company to any expected barriers to approval and suggest potential modifications to increase the likelihood of approval. We will prepare very complete filing support in order to minimize OIR interrogatories. In addition to preparing the support, we will handle the i-File submission and will prepare responses to questions received from the state.

Actuarial Opinions/Annual Rate Filings

The Florida OIR requires that actuarial opinions be submitted with most personal lines filings that have a rate impact. In addition, companies are subject to annual rate filing requirements for several lines of business. Perr&Knight's actuarial staff includes more than 20 accredited property and casualty actuaries who are qualified to sign the required actuarial opinions and annual rate filing certifications.

About Our Actuaries

With over 30 actuaries including more than 20 Fellows and Associates of the Casualty Actuarial Society (CAS), Perr&Knight is among the top ten largest property and casualty actuarial consulting firms in the United States. Ten of our accredited actuaries are located in our Boca Raton, Florida office, making us the largest property and casualty actuarial consulting firm in the state of Florida. Our actuaries support dozens of Florida rate filings each year.

Perr&Knight's actuaries work closely with our regulatory compliance analysts who submit thousands of rate and rule filings each year. Through this collaboration, our actuaries have developed extensive experience supporting initial rates and rate level changes for all personal and commercial lines of business in all U.S. jurisdictions, including Florida.

About Perr&Knight

Founded in 1994, Perr&Knight provides insurance consulting and software solutions to the property and casualty and accident and health industries. Services include actuarial consulting, product development, insurance policy and forms consulting, regulatory compliance, state filings, licensing, technology consulting, statistical reporting, data services, and predictive analytics. Software includes StateFilings.com, a leading cloud-based state filings management solution. With offices in Santa Monica, Boca Raton, the New York Metro Area, Fort Worth, and Cincinnati, and more than 100 insurance professionals, Perr&Knight is among the largest independent actuarial and insurance consulting firms in the United States.

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