

# NAIC LOSS COST DATA ENTRY DOCUMENT INSTRUCTIONS

(EFFECTIVE AUG. 16, 2004)

**The attached form is for insurance department purposes to track company rate/loss costs. Companies may be required to complete this form, although some of the information requested is a duplication of information provided elsewhere.**

*The filer should review the individual state's checklist or the NAIC Property & Casualty Product Requirements Locator to obtain current compliance information. These may be found on the NAIC website, <http://www.naic.org>.*

## COLUMN DESCRIPTIONS

1. **This filing transmittal is part of Company Tracking #**--Corresponds to Item #5 on the Uniform Property & Casualty Transmittal Document.
2. **If filing is an adoption of an advisory organization loss cost filing:** This is only required if there is a corresponding advisory organization filing.
3. **Company name and NAIC #:** Provide in Column 3A the company name(s) the filing is being filed under. If more than one company is represented in the filing, list each company and its NAIC #, unless these companies vary in information provided under Columns 4—10 in the Loss Cost Data Entry Document. In such instances a separate Loss Cost Data Entry Document will need to be submitted for each company in the filing.
4. **NAIC Product Coding Matrix Line of Business and Line of Insurance:** Line of Business is also often referred to as Type of Insurance and is to be entered in Column 3A. Line of Insurance is also often referred to as Sub-Type of Insurance or Sub-Line of Business and if indigenous to the filing would be entered in Column 3B.
5. **A. Coverage:** List the name of the coverage applicable (e.g., Auto BI, Auto PD, Auto Physical Damage, Class Code). If more than one is to be filed, list the information for each separately under Columns 5(A) through 5(H) of the Loss Cost Data Entry Document.  
**B. Indicated % Rate Level Change:** Percent of change as indicated through actuarial data for each coverage, as provided under Item #6 of PC IRF (Loss Cost Filing Document—Other Than Workers' Compensation) and as provided under Item #8 of PC IRF-WC (Loss Cost Filing Document—For Workers' Compensation). Show indicated overall effect at the bottom of this column.  
**C. Requested % Rate Level Change:** Chosen rate level change. Show by coverage as provided under Item #7 of PC IRF (Loss Cost Filing Document—Other Than Workers' Compensation) and as provided under Item #9 of PC IRF-WC (Loss Cost Filing Document—For Workers' Compensation). Show requested overall rate effect at the bottom of this column.  
**D. Expected Loss Ratio:** Enter expected loss ratio as shown in the Loss Cost Filing Document under Item #5A.  
**E. Loss Cost Modification Factor:** Enter the loss cost modification factor as shown in the Loss Cost Filing Document under Item #3B.  
**F. Selected Loss Cost Multiplier:** Enter the loss cost multiplier as provided under Item #7 of PC IRF (Loss Cost Filing Document—Other Than Workers' Compensation) and under Item #9 of PC IRF-WC (Loss Cost Filing Document—For Workers' Compensation).  
**G. Expense Constant:** Enter the selected company expense constant as developed on the Expense Constant Supplement in Item #7A (if applicable).

- H. Company Current Loss Cost Multiplier:** Enter the loss cost multiplier for each coverage currently on file with the Department. If this is a first-time conversion from rates to loss costs, enter the advisory organization's underlying loss cost multiplier.
- 6. Rate Change History:** Complete up to a five-year history, if available, under the columns indicated.
  - 7. Expense Constants:** Pertains to Items #4A—#4F in the Loss Cost Filing Document. Also found under the Expense Constant Supplement, if applicable, in Items #4A—#4F.
  - 8. Future Filings:** Provide a Yes or No, as indicated under Item #1 of the Loss Cost Filing Document, whether the submitted loss cost factors are to apply to future filings. (Note: some states have statutes that will not allow automatic adoption of advisory loss cost filings.)
  - 9. Maximum Rate Increase:** Indicate the estimated maximum rate increase applicable to the filing being submitted and give territory, if applicable, affected.
  - 10. Maximum Rate Decrease:** Indicate the estimated maximum rate decrease applicable to the filing being submitted and give territory, if applicable, affected.