

304.13-051 Filing rates and rate information -- When filing becomes effective.

- (1) In a competitive market, every insurer shall file with the commissioner rates and supplementary information to be used in this state for commercial risks as designated by the commissioner and for all personal risks. The rates and supplementary rate information shall be filed not later than fifteen (15) days after the date of first use of the rates, unless the commissioner finds after a hearing that an insurer's rates require closer supervision because of the insurer's financial condition. On a finding, rates for both personal and commercial risks, supplementary rate information, and supporting information shall be filed with the commissioner at least thirty (30) days before the effective date of the rates. An order shall expire no later than one (1) year after it is issued.
- (2) In a noncompetitive market, every insurer shall file with the commissioner all rates for that market, supplementary rate information, and supporting information at least thirty (30) days before the proposed effective date of the rates. On application of the filer, the commissioner may authorize an earlier effective date.
- (3) Any rate filing in effect at the time the commissioner determines that competition does not exist pursuant to KRS 304.13-041 shall be deemed to be effective until disapproved pursuant to the procedures and rating standards of this chapter.
- (4) Every insurer shall file with the commissioner all rating manuals and underwriting rules that it uses in this state not later than fifteen (15) days after they become effective. Manuals, rules, and guidelines must be adhered to until amended. The commissioner may exempt an insurer from filing supporting information if it files by reference, with or without deviation, to a filing which is in effect for another insurer or an advisory organization.
- (5)
 - (a) No insurer shall place into effect any rates, manuals, or underwriting rules which it proposes to use pursuant to subsection (1) or (4) of this section if the rates, manuals or underwriting rules will result in an increase or decrease of more than twenty-five percent (25%) from the insurer's then existing rates for any classification of risks in any of its rating territories within a twelve (12) month period of time.
 - (b) Any insurer which proposes to change its then existing rates, manuals, or underwriting rules so as to effectively increase or decrease the rates of any classification of risks within any rating territory more than twenty-five percent (25%) within a twelve (12) month period shall file all the rates and supplemental rating information which shall not become effective until approved by the commissioner.
- (6) Rates and supplemental rating information for a residual market mechanism shall not become effective until approved by the commissioner.
- (7) The commissioner shall review filings made in accordance with subsections (2), (5)(b), and (6) of this section as soon as reasonably possible after they have been made in order to determine whether they meet the applicable requirements of this chapter. Each filing shall be on file for a waiting period of thirty (30) days before it becomes effective, which period may be extended by the commissioner for an

additional period not to exceed thirty (30) days if he or she gives written notice within the waiting period to the insurer which made the filing that additional time is needed for consideration of the filing. The commissioner may, when he or she deems it to be in the public interest, hold a public hearing on any filing before the filing becomes effective to determine whether the filing meets the requirements of this subtitle. In the event that a hearing is held under the provisions of this subsection, the waiting periods specified in this subsection shall not begin to run until thirty (30) days after the close of the hearing. The burden of establishing that the filing under consideration meets the requirements of this subtitle is on the insurer which makes the filing. A filing shall be deemed to meet the requirements of this subtitle unless disapproved by the commissioner within the waiting period or any extension thereof.

- (8) At any hearing concerning an increase in worker's compensation rates conducted pursuant to subsection (7), the commissioner may approve a rate other than one that has been proposed by the filer if it is justified by the evidence presented at the hearing.

Effective: July 15, 2010

History: Amended 2010 Ky. Acts ch. 24, sec. 1116, effective July 15, 2010. -- Amended 1994 Ky. Acts ch. 93, sec. 20, effective July 15, 1994. -- Amended 1988 Ky. Acts ch. 225, sec. 9, effective July 15, 1988. -- Amended 1986 Ky. Acts ch. 437, sec. 19, effective July 15, 1986. -- Created 1982 Ky. Acts ch. 278, sec. 5, effective July 15, 1982.