

PERSONAL LINES HOMEOWNER RULE CHECKLIST

Instructions

Please confirm compliance with all the following items in Column A by completing shaded cells in columns C, and D where applicable. Blank boxes in the shaded area (Column C) indicate non-compliance with applicable Connecticut General Statutes, regulations, or Department positions. Blank boxes in Column C will cause the filing to be rejected per Connecticut **Bulletin PC-62**. This checklist must be completed with every RULE filing. If the checklist does not apply, be sure to explain exactly why in the notes.

Complete the Form, Page, and Paragraph numbers (Column D) to indicate where compliance can be found in the filed document/s. If items in Column A are not applicable, enter NA in column C and explain in detail in the blank space at the end of the checklist.

Please review and answer the Supplemental Questions section at the end of this checklist. This section must be completed for every rule filing, or the company must provide the state tracking number of the filing in which the information was previously provided. If this information is not provided, the filing will be rejected without review.

	A Item	B Department Reference (Law/Reg/Department Position)	C Confirm compliance with item in Column A by inserting a check mark here	D Provide Rule Number/Page Number
	That the company has filed an explanation of the impact of the filing on existing business	SERFF General Instructions Connecticut		Form _____ Page _____ Para _____
	That the filing includes either a detailed explanation of the filing in the description field within the SERFF General Instructions or in an Explanatory Memorandum within the Supporting Documentation tab	SERFF General Instructions Connecticut		Form _____ Page _____ Para _____
	That the filing includes the state or company tracking numbers for the <u>applicable</u> previously approved rule filings	SERFF General Instructions Connecticut		Form _____ Page _____ Para _____
	That the filing clearly identifies all of the changes being made and includes a side-by-side comparison of the new rules to the previous set of rules	SERFF General Instructions Connecticut		Form _____ Page _____ Para _____
	That the filing contains a <u>full set</u> of the manual rules and not just the individual pages that are being revised	Department position		Form _____ Page _____ Para _____
	Public Protection Class			
	If adopting the ISO Public Protection Class program, confirm that the full rule is included in the manual	Department Position		Form _____ Page _____ Para _____
	If exceptions are being made to the ISO program, confirm that the rule clearly identifies all exceptions	Department Position		Form _____ Page _____ Para _____

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	Expense/Administrative Fees That all fees are included in the rating algorithm That actuarial support is provided	Department Position		Form _____ Page _____ Para _____
	That the minimum optional limit of coverage available for Coverage B Other Structures is no less than 1% of Coverage A –Dwelling	Department Position NOTE: Clearly visible disclosure on the Declarations Page <u>must include the amount of the premium savings</u>		Form _____ Page _____ Para _____
	That the minimum optional limit of coverage available for Coverage C Personal Property is no less than 20% of Coverage A –Dwelling	Department Position NOTE: Clearly visible disclosure on the Declarations Page <u>must include the amount of the premium savings</u>		Form _____ Page _____ Para _____
	That the minimum optional limit of coverage available for Coverage D Loss of Use is no less than 10% of Coverage A –Dwelling	Department Position NOTE: Clearly visible disclosure on the Declarations Page <u>must include the amount of the premium savings</u>		Form _____ Page _____ Para _____
	That no rule exists for loss settlement based on market value	CGS 38a-307		Form _____ Page _____ Para _____
	That the rules (excluding hurricane deductible application) do not vary by geographic location of the risk	Reg 38a-824		Form _____ Page _____ Para _____
	That no rule requires all homeowner's insurance policies be purchased in amounts above 80% of replacement cost value	Reg 38a-824		Form _____ Page _____ Para _____
	That at least 1 company in the insurance group offers Homeowners coverage written as low as the greater of Market Value or 50% of Replacement Cost	Reg 38a-824 If insured declines the offer of a Homeowners policy, it is acceptable to offer a Dwelling Fire (DP3).		Form _____ Page _____ Para _____

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	Item	Department Reference (Law/Reg/Department Position)	Confirm compliance with item in Column A by inserting a check mark here	Provide Rule Number/Page Number
	Ordinance or Law That the policy or contract affords coverage, in an amount not greater than the amount specified in such policy or contract, for the increased cost of repair or reconstruction by reason of ordinances or laws regulating such repair or reconstruction	38a-308 Public Act 18-105		Form _____ Page _____ Para _____
	That the rules for corresponding forms and endorsements comply with Connecticut law regarding matching of undamaged property	CGS 38a-316 (e)		Form _____ Page _____ Para _____
	<u>Windstorm/Hail Deductibles</u> That the rules state that any windstorm/hail deductibles are strictly optional in the entire state	Amended and Restated Filing Review Guidelines Related to Underwriting Coastal Homeowners' Insurance Policies July 25, 2014		Form _____ Page _____ Para _____
	Mandatory Hurricane Deductibles			
	That the rules state that the deductible does not exceed 5% on risks located within 2600 from the coastline	CGS 38a-316 (a)		Form _____ Page _____ Para _____
	That the rules state that the deductible does not exceed 2% on risks located over 2600 feet from the coastline and is applied only in the following counties/towns: New London County - North Stonington, Stonington, Ledyard, Groton, New London, Waterford, East Lyme, Lyme, Old Lyme Middlesex County - Old Saybrook, Essex, Deep River, Chester, Clinton, Westbrook, Killingworth New Haven County - Madison, Guilford, North Branford, Branford, East Haven, New Haven, West Haven, Milford, Orange Fairfield County - Stratford, Bridgeport, Fairfield, Westport, Norwalk, Darien, Stamford, Greenwich	CGS 38a-316 (a)		Form _____ Page _____ Para _____

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	Item	Department Reference (Law/Reg/Department Position)	Confirm compliance with item in Column A by inserting a check mark here	Provide Rule Number/Page Number
	That the rules state that the hurricane deductible will be prominently displayed on the Declarations page of the homeowners' policy	CGS 38a-316 (a)		Form _____ Page _____ Para _____
	That the rules state that the hurricane deductible will be applied only to losses due to a hurricane occurring anywhere in the State of Connecticut as reported by the National Weather Services of which the National Hurricane Center is a part, or its successor (collectively referred to herein as the "NWS") when hurricane results in <u>maximum sustained surface winds of 74 miles per hour or more anywhere in the State of Connecticut</u>	CGS 38a-316 (a)		Form _____ Page _____ Para _____
	That the rules state that the Declarations page of the policy will prominently display any deductible amount and also the dollar equivalent of all percentage hurricane deductibles	Amended and Restated Filing Review Guidelines Related to Underwriting Coastal Homeowners' Insurance Policies July 25, 2014		Form _____ Page _____ Para _____
	That the rules state that a hurricane deductible may be imposed in the State of Connecticut: 1. When the Hurricane Deductible begins: Commencing with the issuance of a hurricane warning by the NWS for anywhere in the State of Connecticut. 2. When the Hurricane Deductible ends: Ending the earlier of: (i) 24 hours following termination of the last hurricane warning issued for any part of Connecticut by the NWS; or (ii) 24 hours after the hurricane is downgraded from a hurricane by the NWS for any part of Connecticut	Amended and Restated Filing Review Guidelines Related to Underwriting Coastal Homeowners' Insurance Policies July 25, 2014		Form _____ Page _____ Para _____
	That the rules state that actual cash value loss settlement on roofs is provided only at the request and option of the insured	Department Position This coverage cannot be mandatory with an insured opt-out.		Form _____ Page _____ Para _____
	That the rules state that any coverage that lowers the replacement cost percentage on roofs based on roof age is provided only at the request of the insured	Department Position This coverage cannot be mandatory with an insured opt-out.		Form _____ Page _____ Para _____

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	Item	Department Reference (Law/Reg/Department Position)	Confirm compliance with item in Column A by inserting a check mark here	Provide Rule Number/Page Number
	That the following rules apply to the use of functional replacement cost loss settlement: 1. The coverage is optional as requested by the insured 2. The insured signature is required for consent. 3. The loss settlement language provides for at least actual cash value 4. The form is used only on homes built prior to 1940	Department Position Please provide the SERFF state tracking number below for the corresponding form filing		Form _____ Page _____ Para _____
	That terrorism coverage is not excluded	Bulletin PC-76 Terrorism exclusions are not allowed in Personal Lines.		Form _____ Page _____ Para _____
	That the limits available for Coverage E – Personal Liability are no less than \$100,000	Department Position		Form _____ Page _____ Para _____
	That the limits available for Coverage F – Medical Payments to Others are no less than \$1,000	Department Position		Form _____ Page _____ Para _____
	That Personal Liability losses are settled on a per occurrence basis	Department Position Aggregate limits for Coverage E – Personal Liability and Coverage F – Medical payments are not acceptable		Form _____ Page _____ Para _____
	That no rule is included to address canine liability exclusions. (Breeds, broad canine exclusions)	Department Position Canine exclusions for specific dogs are allowed. A signed consent form is required		Form _____ Page _____ Para _____
	That no rule exists for a trampoline exclusion	Department Position		Form _____ Page _____ Para _____
	That no rule exists for a trampoline, dog, or swimming pool surcharge	Department Position		Form _____ Page _____ Para _____
	That the rules provide for a \$100,000 minimum Section II limit	Department Position Annual aggregates are acceptable		Form _____ Page _____ Para _____

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	Item	Department Reference (Law/Reg/Department Position)	Confirm compliance with item in Column A by inserting a check mark here	Provide Rule Number/Page Number
	<p><u>Mold/Fungi Coverage</u></p> <p>That the rules comply with the published mold guidelines below.</p> <p>1. Section I Property Coverage Minimum limit – \$10,000 2. Section II Personal Liability Minimum Limit – \$50,000</p>	See Mold Guidelines at CT.gov/CID.		Form _____ Page _____ Para _____
	That there is no rule addressing a Section II lead liability exclusion.	Department Position \$50,000 limit is required. Annual aggregates are acceptable.		Form _____ Page _____ Para _____
	That there is no rule addressing a Section II escaped fuel liability exclusion.	Department Position \$50,000 Section II limit is required.		Form _____ Page _____ Para _____
	That the declination, cancellation or nonrenewal of a homeowner's insurance policy is prohibited if the declination, cancellation or nonrenewal is based solely on any loss incurred as a result of one or more catastrophic events, as declared by a nationally recognized catastrophe loss index provider.	CGS 38a-316d (a)		Form _____ Page _____ Para _____
	<p>That the company does not add surcharges or increase premiums in any manner solely as a result of a claim filed on the covered property while such property was owned by anyone other than the current applicant or insured</p> <p>The above also applies unless the risk from which such claim originated has not been mitigated</p>	<p>CGS 38a-316d (b)</p> <p>This exception must be in the rules.</p>		Form _____ Page _____ Para _____
	That the company does not increase the premium in any manner as a result of claim inquiries, claims closed with payments less than \$500, or claims closed with no payment	<p>CGS 38a-316d (c)</p> <p>This exception must be included in the rules. The rule can state that increases in premium are allowed if the insured files more than one non catastrophe claim within 3 years resulting in any loss coverage payment.</p>		Form _____ Page _____ Para _____

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	Item	Department Reference (Law/Reg/Department Position)	Confirm compliance with item in Column A by inserting a check mark here	Provide Rule Number/Page Number
	<u>Insurance Score</u> That the financial history measurement program is used to underwrite or rate risks <u>only</u> (I) for new personal risk insurance policies, or (II) upon renewal <u>only</u> either at the request of an insured or if such use reduces the premium for the insured in accordance with the insurer's filed rates and rules	CGS 38a-686		Form _____ Page _____ Para _____
	That insurance score is not re-ordered and used to rate or underwrite a policy if a company is transitioning a book of business to a new Homeowners program and the Legacy program used insurance score for rating or underwriting	Department Position		Form _____ Page _____ Para _____
	<u>RULES FOR OPTIONAL ENDORSEMENTS</u>			
	<u>Personal Injury</u> That the limit provided is equal to the Section II Personal Liability limit	Department Position		Form _____ Page _____ Para _____
	<u>Additional Replacement Cost Coverage</u> That the minimum limit offered is no less than 20% of the applicable limit of liability	Department Position Company must provide the insured with the means to re-evaluate replacement cost in future years.		Form _____ Page _____ Para _____
	<u>Water Back Up and/or Sump Pump Overflow Coverage</u> 1. That any applicable waiting period is no longer than 15 days 2. That waiting periods are not applicable when coverage is added at the time of new business or renewal	Department Position		Form _____ Page _____ Para _____
	<u>BLANK SPACE – Explain all items from column C that were labeled NA</u>			

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Supplemental Questions – to be answered on every rule filing

1. Does this Rules filing utilize artificial intelligence (AI) or machine learning in the development of or the classification of the rate or tier
2. Does this Rules filing utilize AI or machine learning in determining coverage (mandatory or optional) or exclusion selection or availability
3. If yes was answered to questions 1 and/or 2, please provide a description of how the company is using AI or machine learning in a separate document
4. Is the company using a vendor or is it developed internally? If using a vendor, please provide the vendor contact information

The company should be able to provide evidence the AI/machine learning has been vetted thoroughly and that it does not contain any biases or proxy discrimination