

STATE OF ALASKA

DEPARTMENT OF COMMERCE AND
ECONOMIC DEVELOPMENT

DIVISION OF INSURANCE

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BULLETIN 98-09

TO: All Insurers Writing Property and Casualty Insurance in the State of Alaska and Other Interested Parties

RE: Regulations Relating to Schedule and Individual Risk Rating Plans

Regulations (3 AAC 29.400 - 3 AAC 29.469) adopted by the division of insurance to prevent discrimination in the use of schedule rating and to define other regulatory requirements for use of schedule rating became effective July 24, 1998. These regulations replace the standards specified in Bulletin 82-9; therefore, **Bulletin 82-9 is revoked and no longer in effect.**

Section 3 AAC 29.435 of the new regulations establishes a transition procedure to bring all schedule rating plans used in Alaska into compliance with these new regulations. Under this section, an insurer with a schedule rating plan approved before July 24, 1998 is required to evaluate the schedule rating plan for compliance with 3 AAC 29.400 - 3 AAC 29.469. The division hopes that any insurer with a previously approved plan that does not comply with 3 AAC 29.400 - 3 AAC 29.469 will voluntarily file a new, complying plan and withdraw the old plan in accordance with 3 AAC 29.415. While it is not mandatory to withdraw a previously approved plan and refile, an insurer choosing not to do so must comply with 3 AAC 29.435. This section requires an insurer who intends to use a schedule rating plan approved before July 24, 1998 to file a letter stating its position about whether the previously approved plan complies with 3 AAC 29.400 - 3 AAC 29.469, along with a copy of the previously approved plan upon which it relies. The letter and the previously approved plan must be filed with the division by November 30, 1998.

3 AAC 29.400 - 3 AAC 29.469 may be obtained through the division's Internet home page: www.commerce.state.ak.us/insurance. From the division menu select New Regulations and then select Schedule and Individual Risk Rating Plans to view or print these regulations. You may also obtain a copy of the regulations from the Division of Insurance; P.O. Box 110805; Juneau, AK 99811-0805; (907) 465-2515 or 3601 C Street, Suite 1324; Anchorage, AK 99503-5948; (907) 269-7900.

If you have any questions regarding 3 AAC 29.400 - 3 AAC 29.469, please contact the Division of Insurance; P.O. Box 1100805; Juneau, AK 99811-0805, (907) 465-2515; fax (907) 465-3422; or via electronic mail at: .

DATED: August 3, 1998

A handwritten signature in black ink, appearing to read "Marianne K. Burke". The signature is written in a cursive style with a large initial 'M'.

Marianne K. Burke
Director of Insurance