



Company and Contact Information

Q1. Please enter the correct information below for the business entity:

Company name:

NAIC company number:

Q2. Please enter the contact information for the person responsible for completing the survey:

Name (first and last):

Title:

Email:

Phone Number:

Q3. How many employees does your business employ as of 2022?

- 50 employees or fewer
- more than 50 employees

Q4. How many personal lines property and casualty policies does your company have in force in Washington?

Alternative Notifications

Q5. Does your company already send premium change notifications (such as Conditional Renewal Notices) to policyholders?

- No
- Yes

Q5a. Is this notification used for all personal lines property and casualty policies? If no, please explain.

- Yes
- No

Q5b. If your company already sends premium change notifications (such as Conditional Renewal Notices) to policyholders, please provide an example notification:

Cost of Generating Premium Change Disclosure Notice and Necessary Infrastructure

H1.

The [proposed rule](#) requires insurers to provide a premium change disclosure notice to notify policyholders of any premium changes when compared to the policyholders' previous policy terms. This notice must include an itemized list of all factors used to determine the premium change, and contain the cost or percentage of each factor and its impact on the overall premium, so that one hundred percent of the premium change is explained.

The following questions ask about the cost of generating the premium change disclosure notices and any necessary infrastructure.

Q6. Please describe the direct costs to your company for creating the necessary infrastructure to produce the premium change disclosure notice if the proposed rule were to be effective **March 1, 2023** (This can include labor to produce internal applications, system upgrades, software, creation of protocols/procedures and trainings, and other impacts deemed to have a cost as a direct result of this rule):

Q7. Do you expect to incur additional labor costs in order to setup the necessary infrastructure to generate the premium change disclosure notices?

- No
- Yes

Q7a. If you answered yes to the above question, please estimate the hours and wage rate for employees required:

Estimated total employee hours to setup necessary infrastructure	<input type="text"/>
Average hourly wage rate for employees performing required work	<input type="text"/>

Q8. Do you expect to incur any costs directly associated with necessary software, programs, or system upgrades required for implementation and compliance with this proposed rule (excluding labor and administrative costs)?

- No
- Yes

Q8a. If you answered yes to the above question, please estimate the total cost of any necessary infrastructure required for implementation and compliance with this rule:

Q9. Do you expect to incur any administrative costs directly associated with the necessary infrastructure to generate the premium change disclosure notices (Excluding labor and infrastructure costs. Examples include administrative costs associated with training materials or the creation of protocols/procedures)?

- No
- Yes

Q9a. If you answered yes to the above question, please estimate the total administrative costs required for the implementation and compliance with this rule:

Q10. If there are additional costs associated with the necessary infrastructure to generate the premium change disclosure notices, please list them below:

	Additional work (direct impacts)	Associated cost directly related to Rule
Additional item 1	<input style="width: 100%; height: 20px;" type="text"/>	<input style="width: 100%; height: 20px;" type="text"/>
Additional item 2	<input style="width: 100%; height: 20px;" type="text"/>	<input style="width: 100%; height: 20px;" type="text"/>
Additional item 3	<input style="width: 100%; height: 20px;" type="text"/>	<input style="width: 100%; height: 20px;" type="text"/>
Additional item 4	<input style="width: 100%; height: 20px;" type="text"/>	<input style="width: 100%; height: 20px;" type="text"/>
Additional item 5	<input style="width: 100%; height: 20px;" type="text"/>	<input style="width: 100%; height: 20px;" type="text"/>

Costs of Distributing the Premium Change Disclosure Notices

H2.

The [proposed rule](#) requires insurers to provide a premium change disclosure notice to each policyholder when they receive a premium change. The notice must be sent by the insurer to the policyholder at least 20 days prior to the effective date of the premium change. The notice may be sent individually or included with renewal notices. The notice must be sent in writing, and can be sent via postal mail, or may be delivered in email or electronic format.

The following questions ask about the cost of distributing the premium change disclosure notices to policyholders.

Q11. Would the premium change disclosure notices be sent to the policyholder independently or be included with renewal notices?

- Sent independently
- Included with renewal notices

Q12. Do you expect to incur costs associated with the distribution of the premium change disclosure notices to policyholders?

- No
- Yes

Q13. What is the estimated annual cost for sending the notice via postal mail?

Q14. What is the estimated annual cost for sending the notice via email?

Q15. What is the estimated annual cost for sending the notice via insurer application?

Q16. Please describe any additional costs associated with distributing the premium change disclosure notices to policyholders:

Producer Costs

Q17. Are any costs envisioned/estimated for producers resulting from direct impacts of the transparency notice requirements?

- No
- Yes

Q18. If you answered yes to the above question, what are the direct costs and estimates?

Cost of Alternatives

H3.

The following questions ask about the cost of potential alternatives.

Q19. Please describe the difference in financial impact of implementing a premium change notification that requires insurers to provide an itemized list of rating variables and coverage change that comprises 80% versus 100% of an insured's premium increase?

Q20. Can you please describe the difference in financial impact for requiring insurers to provide a premium change notification based on a 10% increase in premiums versus only requiring insurers to provide these notifications when consumers request this information?

Q21. Which trigger mechanism for the premium change disclosure notice creates the least impact on the industry?

- 10% premium increase OR upon consumer request
- Only upon consumer request
- 10% premium increase AND upon consumer request
- Other: Please explain below

Q22. Which requirement imposes the least impact on your company?

- Requiring 80% of premium change to explained
- Requiring 100% of premium change to be explained
- Requiring the main factors of the premium change to be explained
- Requiring a clear explanation for the premium change

Cost of Filing Notice

H4.

The [proposed rule](#) requires insurers to file the premium change disclosure notice with the Commissioner, whether using the notice provided in WAC 284-30A-050, or using an alternative version of the notice.

Notice filings and requests to use alternative notices must be submitted electronically in the System for Electronic Rate and Form Filings (SERFF).

The following questions ask about the cost of filing the premium change disclosure notices with the OIC.

Q23. Do you expect to incur costs associated with filing the premium change disclosure notice (whether using the template in the rules or the insurer's version of the notice)?

- No
- Yes

Q24. What are the labor costs associated with filing the premium change disclosure notice?

Estimated total employee hours to file the notification form

Average hourly wage rate for employees performing required work

Q25. Please list any other known factors and costs directly associated with filing the premium change disclosure notice (excluding labor):

Cost of Responding to Consumer Inquiries Directly Related to the Notice

H5.

The following questions ask about the cost of responding to consumer inquiries directly related to the premium change disclosure notices.

Q26. On average, how many consumer complaints does your company receive regarding change in premium annually?

Q27. On average, how many premium change disclosure notices (conditional renewals) do you send to consumers annually?

Q28. Do you expect the distribution of premium change disclosure notices (conditional renewals) in compliance with the proposed rule to increase or decrease the number of consumer inquiries regarding premium changes?

- Increase
- Decrease
- No change

Q28a. If you expect an increase in the number of consumer inquiries regarding premium change, please explain:

Timeline

A29. How many months do you estimate it will take for the insurer to have proper infrastructure and systems in place to comply with the requirements of the proposed rule?

	0	1	2	3	4	5	6	Longer than 6 months	
Number of months to comply								<input type="checkbox"/>	<input style="width: 50px; height: 20px;" type="text"/>

Q30. How would changing the effective date of the proposed rule impact the estimated cost of compliance compared to the effective date of March 1, 2023?

	Lower cost	About the same cost	Higher cost
Proposed rule effective date of March 31, 2023?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Proposed rule effective date of May 31, 2023?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Proposed rule effective date of July 31, 2023?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Additional Comments and Suggestions

Q31. What suggestions do you have to reduce the impacts or costs of this rule for insurers?

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Q32. Do you anticipate establishing automated or manual systems to comply with the transparency rules? Please explain.

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Q33. If you have any additional comments or would like to provide additional detail regarding one of the responses, please do so below:

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