

STATE OF MAINE  
DEPARTMENT OF PROFESSIONAL AND FINANCIAL REGULATION  
BUREAU OF INSURANCE

IN RE:

APPEAL OF DISAPPROVED RATE  
FILINGS BY PROGRESSIVE CASUALTY  
INSURANCE COMPANY, PROGRESSIVE  
NORTHWESTERN INSURANCE  
COMPANY, PROGRESSIVE NORTHERN  
INSURANCE COMPANY, AND UNITED  
FINANCIAL CASUALTY COMPANY

Docket No. INS-15-1001

**FIRST INFORMATION REQUEST  
OF THE SUPERINTENDENT TO  
THE ADVOCACY PANEL**

Superintendent of Insurance Eric Cioppa hereby directs the Advocacy Panel to provide a written response and produce documents responsive to the numbered information requests below. If the Advocacy Panel refuses for any reason to provide any of the information or documents requested, the Advocacy Panel must file with the Superintendent, no later than November 13, 2015, a written objection describing the reason for such refusal.

Each of the Requests below is continuing in nature. The Advocacy Panel must supplement the responses provided should the information change or more information become available at any time during the pendency of this proceeding.

If hard copy, paper responses of electronic spreadsheet files are provided in response to any request, the Advocacy Panel also shall file via e-mail the electronic spreadsheet version of the file (*e.g.*, Excel) with embedded formulas included (*i.e.*, active files). Designate with particularity any documents or information requested provided under claim of confidentiality, and provide a statement for the legal basis for the claim of confidentiality.

The Advocacy Panel shall deliver to the Superintendent all requested documents and information (except any subject to a pending objection) no later than 4:00 p.m. on November 18, 2015.

## REQUESTS

1. As Bureau of Insurance Bulletin 334 interprets the statutory prohibition, imposed by 24-A M.R.S. § 2916, from “increas[ing] the premium of any automobile insurance policy of any kind whatsoever for the sole reason that the person to whom such policy has been issued has reached a certain age,” the result is that “an insured’s premium may not increase if the only change is the change in the age of the insured,” even if increased classification rate factors for operators above specified ages are “part of a multivariate analysis of loss expectation.” Does the Advocacy Panel interpret 24-A M.R.S. § 2916 as categorically prohibiting all automobile insurance rating plans that include one or more increased classification rate factors for operators above specified ages? If not, please describe a hypothetical plan with such rate factors that would comply with the statute, or provide a copy of an approved plan with such rate factors and explain why it complies with the statute while the filings at issue in this proceeding do not comply.
  2. Consider the following two possible interpretations of 24-A M.R.S. § 2916.
    - I. An automobile insurance rating plan in Maine may never include one or more increased classification rate factors for operators above specified ages.
    - II. An automobile insurance rating plan in Maine may include increased classification rate factors for operators above specified ages if and only if such factors are part of an actuarially justified multivariate analysis of loss expectation.
- (a) Does the Advocacy Panel agree that the rating plans at issue in this proceeding should be disapproved if Interpretation I is correct and approved if Interpretation II is correct? If not, please provide a detailed explanation.
- (b) Is there a third interpretation that the Superintendent should consider as a possible alternative to Interpretations I and II? If so, please describe it and explain, with examples, why it is different from Interpretations I and II.

PER ORDER OF THE SUPERINTENDENT OF INSURANCE

November 6, 2015

  
ERIC A. CIOPPA  
Superintendent of Insurance