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BULLETIN NO. 12-06

TO: ALL NEW JERSEY PROPERTY AND CASUALTY INSURERS AND RATING ORGANIZATIONS

FROM: KENNETH E. KOBYSLOWSKI, ACTING COMMISSIONER

SUBJECT: PROPERTY AND CASUALTY FILING REQUIREMENTS SERFF FORMS (N.J.A.C. 11:1-2) - THE ELIMINATION OF MARS002

The Department notes that all Property and Casualty filings are required by N.J.A.C. 11:1-2.1 to be filed through SERFF (System for Electronic Rate and Form Filing). Pursuant to N.J.A.C. 11:1-2.2(c), the Department specifically requires the use of MARS002 form, which is a New Jersey-specific form for final prints. It has come to the Department's attention that this form is burdensome and time consuming for companies to prepare, since all other states do not require such a state-specific form.

Consistent with Governor Christie's Common Sense Principles for Agency Rule-making as expressed in Executive Orders 1 and 2, the purpose of this Bulletin is to notify rating organizations and property/casualty insurers that submit to the Department rate, rule and policy form filings made pursuant to N.J.S.A. 17:29A-1 et seq. and 17:29AA-1 et seq. that, effective immediately, the Department is eliminating the need for the MARS002 form to be included with such filings. Filers should instead use the SERFF Form Schedule and the SERFF Rate/Rule Schedule to identify the manual pages and form being submitted, with all requested information accurately completed. Under no

circumstances should any final printed pages be placed under the SERFF Supporting Documentation Schedule or attached as a “Filing Note To Reviewer.” When final printed pages are revised during the course of a filing, the schedules should be updated so the previous versions of the pages appear grayed out. The proper procedure for revising schedule items can be found in the SERFF Industry Manual under Lesson 5 - Responding to an Objection Letter and Lesson 5 – Amendments. Failure to complete all the fields under the SERFF Form and SERFF Rate/Rule Schedule may result in the filing being closed without action.

The Department also notes that some companies are not submitting filings in accordance with the Department’s filing submission requirements or providing sufficient information, which creates a longer review time for the Department. The following are examples of filing submissions that are deficient:

- A filing to revise a private passenger auto installment payment plan from a 3-pay plan to a 4-pay plan that does not include a side-by-side comparison. In this example, the 3-pay plan should be bracketed and the added information for the 4-pay plan should be underlined.
- A new form containing a unique exclusion is filed based on the Department’s approval of a similar exclusion for another company; however, the previous approval of the exclusion or the company it was approved for is not mentioned in the initial filing submission.
- A rate filing for a 7% increase is submitted without the maximum and minimum percentage change. Filers should properly fill out the Filing

Method and Company Rate Information of the SERFF Rate/Rule Schedule to include all requested information.

- New forms are submitted with an explanatory memorandum that only includes the titles of the new forms. In this example, the explanatory memorandum should include a full explanation of each form, including why it is being submitted, the intent of the form, whether it is mandatory or optional and whether or not there is a rate associated with the use of the new form.

Filers are urged to carefully review their filings for full compliance with the submission requirements and the inclusion of all necessary information before submitting them to the Department through SERFF.

Later this year the Department will propose amendments to its Filings: Property and Casualty rules, codified at N.J.A.C. 11:1-2.2(c), 2.6 and 11:1-2 Appendix, Exhibit B, to delete the MARS002 requirements. The SERFF Submission Requirements and General Instructions on the Department's website have been updated to reflect that submission of the MARS002 Form is no longer required.

April 20, 2012
Date



Kenneth E. Kobylowski
Acting Commissioner

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