

Florida Office of Insurance Regulation
Florida Calendar Year Experience Report

If you have any questions during your submission process, please contact
Market Research and Technology Unit
Via email: AnnualP&CReporting_308@flor.com

Overview

Section 627.915 (2), FS, reads:

Each insurer transacting fire, homeowner's multiple peril, commercial multiple peril, medical malpractice, products liability, workers' compensation, private passenger automobile liability, commercial automobile liability, private passenger automobile physical damage, commercial automobile physical damage, officers' and directors' liability insurance, or other liability insurance shall report, for each such line of insurance, the information specified in this subsection to the office. The information shall be reported for direct Florida business only and shall be reported on a calendar-year basis annually by April 1 for the preceding calendar year:

- a) *Direct premiums written.*
- b) *Direct premiums earned.*
- c) *Loss reserves for all known claims:*
 1. *At beginning of the year.*
 2. *At end of the year.*
- d) *Reserves for losses incurred but not reported:*
 1. *At beginning of the year.*
 2. *At end of the year.*
- e) *Allocated loss adjustment expense:*
 1. *Reserve at beginning of the year.*
 2. *Reserve at end of the year.*
 3. *Paid during the year.*
- f) *Unallocated loss adjustment expense:*
 1. *Reserve at beginning of the year.*
 2. *Reserve at end of the year.*
 3. *Paid during the year.*
- g) *Direct losses paid.*
- h) *Underwriting income or loss.*
- i) *Commissions and brokerage fees.*
- j) *Taxes, licenses, and fees.*
- k) *Other acquisition costs.*
- l) *General expenses.*
- m) *Policyholder dividends.*
- n) *Net investment gain or loss and other income gain or loss allocated pro rata by earned premium to Florida business utilizing the investment allocation formula contained in the National Association of Insurance Commissioner's Profitability Report by line by state.*

Additional Section 627.915(5), FS, reads, in part:

"Any insurer or insurer group which does not write at least 0.5 percent of the Florida market based on premiums written shall not have to file any report required by subsection (2) other than a report indicating its percentage of the market share..."

This reporting requirement is to be accomplished by the electronic submission via the Data Collection and Analysis Modules (DCAM) (<https://apps.fldfs.com/DCAM/Logon.aspx>) of data collection form OIR-DO-308, "Calendar Year Experience." Specific instructions on the use of DCAM are available upon request from AnnualP&CReporting_308@flor.com

Each submission must be made on an individual insurer basis. Combined or consolidated reports will not be accepted.

Required Filers and General Reporting Definitions

All Property & Casualty insurers licensed in Florida with a Certificate of Authority and an Active status for one of the following Lines of Business are required to submit the Calendar Year Experience Report.

- a) Fire
- b) Homeowners multiple peril
- c) Commercial multiple peril
- d) Medical malpractice
- e) Workers' compensation
- f) Private passenger automobile liability
- g) Commercial automobile liability
- h) Private passenger automobile physical damage
- i) Commercial automobile physical damage
- j) Other liability

The Office may perform a reasonability validation of the data submitted in the Calendar Year Experience. The relevant data elements reported in the Annual Statement Exhibit of Premiums and Losses (Statutory Page 14) should match the data reported in the Calendar Year Experience. Validation failures will result in the insurer resubmitting the Calendar Year Experience.

Required Data Elements

Every Cell must be filled in. If the cell is not relevant to your company you must place a "0" (zero) in that field. All numeric values are to be whole numbers unless otherwise indicated on the reporting form. Please be aware that our Line Numbers do not correspond to MS Excel's Row Numbers.

Direct Premiums Written (required)

For each of the Lines of Business (Excel row 5 - 19) the company is required to provide their Florida Direct Premiums Written. If the company does not write a particular line of business you must place a "0" (zero) in column D (DIRECT PREMIUMS WRITTEN) for that line of business.

- Line Number 1 Fire
- Line Number 2 Homeowners multiple peril
- Line Number 3 Commercial multiple peril (non-liability portion)
- Line Number 4 Commercial multiple peril (liability portion)
- Line Number 5 Medical malpractice
- Line Number 6 Workers' compensation
- Line Number 7 Other liability
- Line Number 8 Directors' and officers' liability
- Line Number 9 Products liability
- Line Number 10 Private passenger auto no-fault (personal injury)
- Line Number 11 Other private passenger auto liability
- Line Number 12 Commercial auto no-fault (personal injury protection)
- Line Number 13 Other commercial auto liability
- Line Number 14 Private passenger auto physical damage
- Line Number 15 Commercial auto physical damage

After the Direct Premiums Written values have been filled in, the spreadsheet will automatically calculate your company's market share percentage "Threshold Test."

For each Line of Business (line number 1 - 18) if the Threshold Test value is Equal to or Greater than 0.5% the company must complete Excel Columns (F-K, N-P, S-U, Z-AC, AH-AI).

If the Threshold Test is Less than .5% you must ensure that a "0" (zero) is placed in Excel Columns (F-K, N-P, S-U, Z-AC, AH-AI).

- The following fields are to be complete by the insurer: Excel Rows (F-K, N-P, S-U, Z-AC, AH-AI)
Excel Column F : DIRECT PREMIUMS EARNED

Excel Column G: DIRECT LOSSES PAID
 Excel Column H: LOSS RESERVES FOR ALL KNOWN CLAIMS - AT BEGINNING OF YEAR
 Excel Column H: LOSS RESERVES FOR ALL KNOWN CLAIMS - AT BEGINNING OF YEAR
 Excel Column I: LOSS RESERVES FOR ALL KNOWN CLAIMS - AT END OF YEAR
 Excel Column J: RESERVES FOR LOSSES INCURRED BUT NOT REPORTED (IBNR) - AT BEGINNING OF YEAR
 Excel Column K: RESERVES FOR LOSSES INCURRED BUT NOT REPORTED (IBNR) - AT END OF YEAR
 Excel Column N: ALLOCATED LOSS ADJUSTMENT EXPENSE - RESERVES AT BEGINNING OF YEAR
 Excel Column O: ALLOCATED LOSS ADJUSTMENT EXPENSE - RESERVES AT END OF YEAR
 Excel Column P: ALLOCATED LOSS ADJUSTMENT EXPENSE - PAID
 Excel Column S: UNALLOCATED LOSS ADJUSTED EXPENSE - RESERVES AT BEGINNING OF YEAR
 Excel Column T: UNALLOCATED LOSS ADJUSTED EXPENSE - RESERVES AT END OF YEAR
 Excel Column U: UNALLOCATED LOSS ADJUSTED EXPENSE - PAID
 Excel Column Z: OTHER EXPENSE - OTHER ACQUISITION EXPENSE
 Excel Column AA: OTHER EXPENSE - GENERAL EXPENSE
 Excel Column AB: OTHER EXPENSE - COMMISSION AND BROKERAGE FEES
 Excel Column AC: OTHER EXPENSE - TAXES, LICENSES AND FEES
 Excel Column AH: POLICYHOLDER DIVIDEND
 Excel Column AI: NET INVESTMENT GAIN OR LOSS AND OTHER INCOME GAIN OR LOSS

- The columns/fields in Blue are calculated by the spreadsheet: Excel Columns (L, M, Q, R, V, W, X, Y, AD, AE, AF, AG, AJ)

Column L: DIRECT LOSSES INCURRED = [Column G DIRECT LOSSES PAID] - [Column H LOSS RESERVES FOR ALL KNOWN CLAIMS AT BEGINNING OF YEAR] + [Column I LOSS RESERVES FOR ALL KNOWN CLAIMS AT END OF YEAR] - [Column J RESERVES FOR LOSSES INCURRED BUT NOT REPORTED (IBNR) AT BEGINNING OF YEAR] + [Column K RESERVES FOR LOSSES INCURRED BUT NOT REPORTED (IBNR) AT END OF YEAR]

Column M: RATIO DIRECT LOSSES INCURRED TO PREMIUMS EARNED = [Column L DIRECT LOSSES INCURRED] / [Column F DIRECT PREMIUMS EARNED]

Column Q: ALLOCATED LOSS ADJUSTMENT EXPENSE INCURRED = [Column O ALLOCATED LOSS ADJUSTMENT EXPENSE RESERVES AT END OF YEAR] + [Column P ALLOCATED LOSS ADJUSTMENT EXPENSE PAID] - [Column N ALLOCATED LOSS ADJUSTMENT EXPENSE RESERVES AT BEGINNING OF YEAR]

Column R RATIO ALLOCATED LOSS ADJUSTMENT EXPENSE TO PREMIUMS EARNED = [Column Q ALLOCATED LOSS ADJUSTMENT EXPENSE INCURRED] / [Column F DIRECT PREMIUMS EARNED]

Column V UNALLOCATED LOSS ADJUSTED EXPENSE INCURRED = [Column T UNALLOCATED LOSS ADJUSTED EXPENSE RESERVES AT END OF YEAR] + [Column U UNALLOCATED LOSS ADJUSTED EXPENSE PAID] - [Column S UNALLOCATED LOSS ADJUSTED EXPENSE RESERVES AT BEGINNING OF YEAR]

Column W: RATIO UNALLOCATED LOSS ADJUSTED EXPENSE TO PREMIUMS EARNED = [Column V UNALLOCATED LOSS ADJUSTED EXPENSE INCURRED] / [Column F DIRECT PREMIUMS EARNED]

Column X TOTAL LOSS ADJUSTMENT EXPENSE INCURRED = [Column Q ALLOCATED LOSS ADJUSTMENT EXPENSE INCURRED] + [Column V UNALLOCATED LOSS ADJUSTED EXPENSE INCURRED]

Column Y: RATIO TOTAL LOSS ADJUSTMENT EXPENSE TO PREMIUMS EARNED = [Column X TOTAL LOSS ADJUSTMENT EXPENSE INCURRED] / [Column F DIRECT PREMIUMS EARNED]

Column AD: TOTAL OTHER EXPENSE = [Column Z OTHER EXPENSE - OTHER ACQUISITION EXPENSE] + [Column AA OTHER EXPENSE - GENERAL EXPENSE] + [Column AB OTHER EXPENSE - COMMISSION AND BROKERAGE FEES] + [Column AC OTHER EXPENSE - TAXES, LICENSES AND FEES]

Column AE: RATIO TOTAL OTHER EXPENSE TO PREMIUMS EARNED = [Column AD TOTAL OTHER EXPENSE] / [Column F DIRECT PREMIUMS EARNED]

Column AF: UNDERWRITING GAIN OR LOSS = [Column F DIRECT PREMIUMS EARNED] - [Column L DIRECT LOSSES INCURRED]- [Column X TOTAL LOSS ADJUSTMENT EXPENSE INCURRED]- [Column AD TOTAL OTHER EXPENSE]

Column AG RATIO TO UNDERWRITING GAIN OR LOSS PREMIUMS EARNED = [Column AF UNDERWRITING GAIN OR LOSS] / [Column F DIRECT PREMIUMS EARNED]

Column AJ: NET INCOME AFTER DIVIDENDS TO POLICYHOLDER BUT BEFORE FEDERAL INCOME TAX = [Column AF UNDERWRITING GAIN OR LOSS] - [Column AH POLICYHOLDER DIVIDEND] + [Column AI NET INVESTMENT GAIN OR LOSS AND OTHER INCOME GAIN OR LOSS]

Summary of Validations

The Office may perform a reasonability validation of the data submitted in the Calendar Year Experience. The relevant data elements reported in the Annual Statement Exhibit of Premiums and Losses (Statutory Page 14) should match the data reported in the Calendar Year Experience. Validation failures will result in the insurer resubmitting the Calendar Year Experience.

Exhibit of Premiums and Losses (Statutory Page 14) Column 1 Direct Premiums Written = Calendar Year Experience Column D Direct Premiums Written

Exhibit of Premiums and Losses (Statutory Page 14) Column 2 Direct Premiums Earned = Calendar Year Experience Column F Direct Premiums Earned

Exhibit of Premiums and Losses (Statutory Page 14) Column 5 Direct Losses Paid = Calendar Year Experience Column G Direct Losses Paid

Exhibit of Premiums and Losses (Statutory Page 14) Column 6 Direct Losses Incurred = Calendar Year Experience Column L Direct Losses Incurred

Exhibit of Premiums and Losses (Statutory Page 14) Column 11 Commissions and Brokerage Expenses = Calendar Year Experience Column AB Commissions and Brokerage Expenses

Exhibit of Premiums and Losses (Statutory Page 14) Column 12 Taxes, Licenses and Fees = Calendar Year Experience Column AC Taxes, Licenses and Fees

Data Submission Validation Process

Computerized Validations:

There are two stages of data validation performed on your data template before it can be received by the Office.

The first of these are built into the data template itself. As you navigate the template, you will be given various "Validation Assistance" alerts.

The second stage of computerized validations is performed at the time you submit your data template. These validations are performed "behind the scenes" by the Office's computer system. These checks notify you by email if you have missed a required cell or made a similar type of data entry error on the data template. At the time your email notification is sent, your data template is returned to your Industry Portal workbench area so that corrections can be made. If you feel you need assistance with the corrections, please contact the Office via email at:

Reviewer Validations:

Once your data submission reaches the Office, a staff member rechecks your data for reasonability. This can include comparing your submitted data to other sources and previous data submission received from your company.

If the reviewer has a question or needs clarification, he/she will contact you by email or phone. This clarification letter will reference the "file log number" assigned to your data submission by the Office. This tracking number will be used on all communication from the Office about your data.

Once the reviewer is satisfied with your data submission, you will receive a final disposition letter by email which closes your data submission filing. Final disposition you will see in these letters include:

1. **FILING NOT REQUIRED:** This means your company is not required to report this data. No further action will be needed on your part.
2. **SUBMISSION ERROR:** This means your submission does not meet the filings standards for this specific reporting requirement. Depending on the type of error your submission contained, you may or may not need to resubmit your data under another Office tracking number.
3. **EXEMPT:** This final disposition means your submission of "NO DATA" meets the reporting requirement for this reporting period. No further action will be needed on your part for the reporting period covered by your data submission. Please note: Receiving an exemption letter does not preclude the necessity of filing additional data or no data filings in the future. In most cases, your company will need to continue to file each reporting period.
4. **WITHDRAWN:** This means your company requested your submission under the assigned file log number be closed by the Office. In most cases, this is done so that you can "start from scratch" and re-file your data under a new file log number.
5. **ACCEPTED:** A final disposition letter of acceptance means that the reviewer has completed his/her reasonability checks and feels your data submission is valid. No further action is required at this time.
6. **REFERRED:** This type of letter means that based on the data submitted and any additional information provided, your data submission will be referred to the Office's Market Investigation Unit for additional follow up.