

Part 2 General Rate Regulation

31A-19a-201 Rate standards.

- (1) Rates may not be excessive, inadequate, or unfairly discriminatory.
- (2)
 - (a) Rates are not excessive if a reasonable degree of price competition exists at the consumer level with respect to the class of business to which they apply. In determining whether a reasonable degree of price competition exists, the commissioner shall consider:
 - (i) relevant tests of workable competition pertaining to:
 - (A) market structure;
 - (B) market performance; and
 - (C) market conduct; and
 - (ii) the practical opportunities available to consumers in the market to:
 - (A) acquire pricing and other consumer information; and
 - (B) compare and obtain insurance from competing insurers.
 - (b) The tests described in Subsection (2)(a) include:
 - (i) the size and number of insurers actively engaged in the market and class of business;
 - (ii) the market shares of insurers actively engaged in the market and changes in market shares;
 - (iii) the existence of rate differentials in that class of business;
 - (iv) ease of entry and latent competition of insurers capable of easy entry;
 - (v) availability of consumer information concerning the product and sales outlets or other sales mechanisms; and
 - (vi) efforts of insurers to provide consumer information.
 - (c) If reasonable price competition does not exist, rates are excessive if:
 - (i) rates are likely to produce a long-term profit that is unreasonably high in relation to the riskiness of the class of business; or
 - (ii) expenses are unreasonably high in relation to the services rendered.
- (3) Rates are inadequate if:
 - (a) they are clearly insufficient, when combined with the investment income attributable to them, to sustain the projected losses and expenses in the class of business to which they apply; and
 - (b) the use of such rates has or, if continued, will have:
 - (i) the effect of substantially lessening competition; or
 - (ii) the tendency to create a monopoly in any market.
- (4)
 - (a) A rate is unfairly discriminatory if price differentials fail to equitably reflect the differences in expected losses and expenses after allowing for practical limitations.
 - (b) A rate is not unfairly discriminatory if it is averaged broadly among persons insured under a:
 - (i) group, franchise, or blanket policy; or
 - (ii) mass marketed plan.

Renumbered and Amended by Chapter 130, 1999 General Session

31A-19a-202 Rating methods.

- (1) To determine whether rates comply with the standards under Section 31A-19a-201, the commissioner shall consider the:

- (a) criteria listed in Subsection (2);
 - (b) classifications, if any, permitted under Subsection (3);
 - (c) expenses described in Subsection (4); and
 - (d) profits described in Subsection (5).
- (2) In determining rates the commissioner shall consider within and outside of Utah:
- (a) past and prospective loss experience;
 - (b) catastrophe hazards;
 - (c) trends;
 - (d) loadings for leveling premium rates over time;
 - (e) reasonable margin for profit and contingencies;
 - (f) dividends, savings, or unabsorbed premium deposits allowed or returned by insurers to their policyholders; and
 - (g) other relevant factors.
- (3)
- (a) Risks may be grouped by classifications for the establishment of rates and minimum premiums.
 - (b)
 - (i) A classification rate may be modified to produce rates for individual risks in accordance with rating plans or schedules that establish reasonable standards for measuring probable variations in hazards or expense provisions.
 - (ii) The standards described in Subsection (3)(b)(i) may measure any differences among risks that can be demonstrated to have a probable effect upon losses or expenses.
 - (c) Notwithstanding Subsection (3)(b), risk classification may not be based upon race, color, creed, national origin, or the religion of the insured.
- (4) The expense provisions included in the rates to be used by an insurer shall reflect:
- (a) the operating methods of the insurer; and
 - (b) its anticipated expenses.
- (5) The rates may contain provision for contingencies and an allowance permitting a profit that is not unreasonable in relation to the riskiness of the class of business. In determining the reasonableness of the profit, consideration may be given to investment income.

Renumbered and Amended by Chapter 130, 1999 General Session

31A-19a-203 Rate filings.

- (1)
- (a) Except as provided in Subsections (4) and (5), every authorized insurer and every rate service organization licensed under Section 31A-19a-301 that has been designated by any insurer for the filing of pure premium rates under Subsection 31A-19a-205(2) shall file with the commissioner the following for use in this state:
 - (i) all rates;
 - (ii) all supplementary information; and
 - (iii) all changes and amendments to rates and supplementary information.
 - (b) An insurer shall file its rates by filing:
 - (i) its final rates; or
 - (ii) either of the following to be applied to pure premium rates that have been filed by a rate service organization on behalf of the insurer as permitted by Section 31A-19a-205:
 - (A) a multiplier; or
 - (B)

- (I) a multiplier; and
 - (II) an expense constant adjustment.
 - (c) Every filing under this Subsection (1) shall state:
 - (i) the effective date of the rates; and
 - (ii) the character and extent of the coverage contemplated.
 - (d) Except for workers' compensation rates filed under Sections 31A-19a-405 and 31A-19a-406, each filing shall be within 30 days after the rates and supplementary information, changes, and amendments are effective.
 - (e) A rate filing is considered filed when it has been received:
 - (i) with the applicable filing fee as prescribed under Section 31A-3-103; and
 - (ii) pursuant to procedures established by the commissioner.
 - (f) The commissioner may by rule prescribe procedures for submitting rate filings by electronic means.
- (2)
- (a) To show compliance with Section 31A-19a-201, at the same time as the filing of the rate and supplementary rate information, an insurer shall file all supporting information to be used in support of or in conjunction with a rate.
 - (b) If the rate filing provides for a modification or revision of a previously filed rate, the insurer is required to file only the supporting information that supports the modification or revision.
 - (c) If the commissioner determines that the insurer did not file sufficient supporting information, the commissioner shall inform the insurer in writing of the lack of sufficient supporting information.
 - (d) If the insurer does not provide the necessary supporting information within 45 calendar days of the date on which the commissioner mailed notice under Subsection (2)(c), the rate filing may be:
 - (i) considered incomplete and unfiled; and
 - (ii) returned to the insurer as:
 - (A) not filed; and
 - (B) not available for use.
 - (e) Notwithstanding Subsection (2)(d), the commissioner may extend the time period for filing supporting information.
 - (f) If a rate filing is returned to an insurer as not filed and not available for use under Subsection (2)(d), the insurer may not use the rate filing for any policy issued or renewed on or after 60 calendar days from the date the rate filing was returned.
- (3) At the request of the commissioner, an insurer using the services of a rate service organization shall provide a description of the rationale for using the services of the rate service organization, including the insurer's:
- (a) own information; and
 - (b) method of use of the rate service organization's information.
- (4)
- (a) An insurer may not make or issue a contract or policy except in accordance with the rate filings that are in effect for the insurer as provided in this chapter.
 - (b) Subsection (4)(a) does not apply to contracts or policies for inland marine risks for which filings are not required.
- (5) Subsection (1) does not apply to inland marine risks, which, by general custom, are not written according to standardized manual rules or rating plans.
- (6)

- (a) The insurer may file a written application, stating the insurer's reasons for using a higher rate than that otherwise applicable to a specific risk.
 - (b) If the application described in Subsection (6)(a) is filed with and not disapproved by the commissioner within 10 days after filing, the higher rate may be applied to the specific risk.
 - (c) The rate described in this Subsection (6) may be disapproved without a hearing.
 - (d) If disapproved, the rate otherwise applicable applies from the effective date of the policy, but the insurer may cancel the policy pro rata on 10 days' notice to the policyholder.
 - (e) If the insurer does not cancel the policy under Subsection (6)(d), the insurer shall refund any excess premium from the effective date of the policy.
- (7)
- (a) Agreements may be made between insurers on the use of reasonable rate modifications for insurance provided under Section 31A-22-310.
 - (b) The rate modifications described in Subsection (7)(a) shall be filed immediately upon agreement by the insurers.

Amended by Chapter 117, 2004 General Session

31A-19a-204 Rates open to inspection.

- (1) Rates and supplementary rate information filed under this chapter shall be open to public inspection at any reasonable time.
- (2) The commissioner shall supply copies to any person on:
 - (a) request; and
 - (b) payment of a reasonable charge.

Renumbered and Amended by Chapter 130, 1999 General Session

31A-19a-205 Delegation of rate making and rate filing obligation.

- (1) An insurer may:
 - (a) itself establish rates and supplementary rate information for any market segment based on the factors in Section 31A-19a-202; or
 - (b) use rates, pure premium rates, and supplementary rate information prepared by a rate service organization that the insurer selects, with:
 - (i) average expense factors determined by the rate service organization; or
 - (ii) any modification for its own expense and loss experience as the credibility of that experience allows.
- (2) An insurer may discharge its obligation under Subsection 31A-19a-203(1) by filing with the commissioner:
 - (a) notification that the insurer uses pure premium rates and supplementary rate information prepared by a licensed rate service organization that the insurer selects; and
 - (b) any information about modifications the insurer has made to those rates or that information as is necessary fully to inform the commissioner.
- (3) If an insurer has discharged its obligation in accordance with Subsection (2), the insurer's rates and supplementary rate information shall be those, including any amendments, filed at intervals by the rate service organization, subject to any modifications filed by the insurer.

Renumbered and Amended by Chapter 130, 1999 General Session

31A-19a-206 Disapproval of rates.

- (1)
 - (a) Except for a conflict with the requirements of Section 31A-19a-201 or 31A-19a-202, the commissioner may disapprove a rate at any time that the rate directly conflicts with:
 - (i) this title; or
 - (ii) any rule made under this title.
 - (b) The disapproval under Subsection (1)(a) shall:
 - (i) be in writing;
 - (ii) specify the statute or rule with which the filing conflicts; and
 - (iii) state when the rule is no longer effective.
 - (c)
 - (i) If an insurer's or rate service organization's rate filing is disapproved under Subsection (1)(a), the insurer or rate service organization may request a hearing on the disapproval within 30 calendar days of the date on which the order described in Subsection (1)(a) is issued.
 - (ii) If a hearing is requested under Subsection (1)(c)(i), the commissioner shall schedule the hearing within 30 calendar days of the date on which the commissioner receives the request for a hearing.
 - (iii) After the hearing, the commissioner shall issue an order:
 - (A) approving the rate filing; or
 - (B) disapproving the rate filing.
- (2)
 - (a) If within 90 calendar days of the date on which a rate filing is filed the commissioner finds that the rate filing does not meet the requirements of Section 31A-19a-201 or 31A-19a-202, the commissioner shall send a written order disapproving the rate filing to the insurer or rate organization that made the filing.
 - (b) The order described in Subsection (2)(a) shall specify how the rate filing fails to meet the requirements of Section 31A-19a-201 or 31A-19a-202.
 - (c)
 - (i) If an insurer's or rate service organization's rate filing is disapproved under Subsection (2)(a), the insurer or rate service organization may request a hearing on the disapproval within 30 calendar days of the date on which the order described in Subsection (2)(a) is issued.
 - (ii) If a hearing is requested under Subsection (2)(c)(i), the commissioner shall schedule the hearing within 30 calendar days of the date on which the commissioner receives the request for a hearing.
 - (iii) After the hearing, the commissioner shall issue an order:
 - (A) approving the rate filing; or
 - (B)
 - (I) disapproving the rate filing; and
 - (II) stating when, within a reasonable time from the date on which the order is issued, the rate is no longer effective.
 - (d) In a hearing held under this Subsection (2), the insurer or rate service organization bears the burden of proving compliance with the requirements of Section 31A-19a-201 or 31A-19a-202.
- (3)
 - (a) If the order described in Subsection (2)(a) is issued after the implementation of the rate filing, the commissioner may order that use of the rate filing be discontinued for any policy issued or renewed on or after a date not less than 30 calendar days from the date the order was issued.
 - (b) If an insurer or rate service organization requests a hearing under Subsection (2), the order to discontinue use of the rate filing is stayed:
 - (i) beginning on the date the insurer or rate service organization requests a hearing; and

- (ii) ending on the date the commissioner issues an order after the hearing that addresses the stay.
- (4) If the order described in Subsection (2)(a) is issued before the implementation of the rate filing:
 - (a) an insurer or rate service organization may not implement the rate filing; and
 - (b) the rates of the insurer or rate service organization at the time of disapproval continue to be in effect.
- (5)
 - (a) If after a hearing the commissioner finds that a rate that has been previously filed and has been in effect for more than 90 calendar days no longer meets the requirements of Section 31A-19a-201 or 31A-19a-202, the commissioner may order that use of the rate by any insurer or rate service organization be discontinued.
 - (b) The commissioner shall give any insurer that will be affected by an order that may be issued under Subsection (5)(a) notice of the hearing at least 10 business days prior to the hearing.
 - (c) The order issued under Subsection (5)(a) shall:
 - (i) be in writing;
 - (ii) state the grounds for the order; and
 - (iii) state when, within a reasonable time from the date on which the order is issued, the rate is no longer effective.
 - (d) The order issued under Subsection (5)(a) may not affect any contract or policy made or issued prior to the expiration of the period set forth in the order.
 - (e) The order issued under Subsection (5)(a) may include a provision for a premium adjustment for contracts or policies made or issued after the effective date of the order.
- (6)
 - (a) When an insurer has no legally effective rates as a result of the commissioner's disapproval of rates or other act, the commissioner shall, on the insurer's request, specify interim rates for the insurer.
 - (b) An interim rate described in Subsection (6)(a):
 - (i) shall be high enough to protect the interests of all parties; and
 - (ii) may, when necessary to protect the policyholders, order that a specified portion of the premiums be placed in an escrow account approved by the commissioner.
 - (c) When the new rates become effective, the commissioner shall order the escrowed funds or any overcharge in the interim rates to be distributed appropriately, except that minimal refunds to policyholders need not be distributed.

Amended by Chapter 297, 2011 General Session

31A-19a-207 Delayed effect of rates.

- (1)
 - (a) The commissioner may by rule require that insurers in a market segment file with the commissioner any changes in rates or supplementary rate information at least 30 calendar days before they become effective if the commissioner finds, after a hearing, that in that market segment:
 - (i) competition is not an effective regulator of the rates charged;
 - (ii) that a substantial number of companies are competing irresponsibly through the rates charged; or
 - (iii) that there are widespread violations of this chapter.
 - (b) The commissioner may extend the waiting period under Subsection (1)(a) for not to exceed 30 additional calendar days by written notice to the filer before the first 30-day period expires.

- (c) In determining whether competition is an effective regulator of the rates charged, the commissioner shall consider, as to the particular market segment:
 - (i) the number of insurers actively engaged in providing coverage;
 - (ii) the respective market shares of insurers providing coverage;
 - (iii) the volatility of market share fluctuations;
 - (iv) the ease of entry into the market; and
 - (v) any other known relevant factors.
- (2)
 - (a) If the commissioner finds that a market segment is noncompetitive under Subsection (1), all rates previously filed and in use may continue to be used until disapproved.
 - (b) After a finding of a noncompetitive market under Subsection (1), for purposes of disapproval, the commissioner shall treat the filing of existing rates as having been filed as of the date of the rule under Subsection (1).
- (3) A competitive market is presumed to exist, unless the commissioner makes a contrary finding under Subsection (1).
- (4)
 - (a) A rule issued under Subsection (1) expires no later than one year from the date on which the rule was adopted, unless the commissioner, after a hearing, renews the rule.
 - (b) A renewal hearing for a rule issued under Subsection (1) may not be held earlier than nine months after the date on which the rule was issued or last renewed.

Renumbered and Amended by Chapter 130, 1999 General Session

31A-19a-208 Special restrictions on individual insurers.

- (1) The commissioner may require by order that a particular insurer file any or all of its rates and supplementary rate information 30 calendar days prior to their effective date, if the commissioner finds, after a hearing, that to protect the interests of the insurer's insureds and the public in Utah, the commissioner shall exercise closer supervision of the insurer's rates, because of the insurer's financial condition or rating practices.
- (2) The commissioner may extend the waiting period described in Subsection (1) for any filing for not to exceed 30 additional calendar days, by written notice to the insurer before the first 30-day period expires.
- (3) A filing that has not been disapproved before the expiration of the waiting period is considered to meet the requirements of this chapter, subject to the possibility of subsequent disapproval under Section 31A-19a-206.

Amended by Chapter 297, 2011 General Session

31A-19a-209 Special provisions for title insurance.

- (1)
 - (a)
 - (i) The Title and Escrow Commission shall adopt rules subject to Section 31A-2-404, establishing rate standards and rating methods for individual title insurance producers and agency title insurance producers.
 - (ii) The commissioner shall determine compliance with rate standards and rating methods for title insurers, individual title insurance producers, and agency title insurance producers.
 - (b) In addition to the considerations in determining compliance with rate standards and rating methods as set forth in Sections 31A-19a-201 and 31A-19a-202, including for title insurers,

the commissioner and the Title and Escrow Commission shall consider the costs and expenses incurred by title insurers, individual title insurance producers, and agency title insurance producers peculiar to the business of title insurance including:

- (i) the maintenance of title plants; and
 - (ii) the examining of public records to determine insurability of title to real redevelopment property.
- (2)
- (a) A title insurer, an agency title insurance producer, or an individual title insurance producer who is not an employee of a title insurer or who is not designated by an agency title insurance producer shall file with the commissioner:
 - (i) a schedule of the escrow charges that the title insurer, individual title insurance producer, or agency title insurance producer proposes to use in this state for services performed in connection with the issuance of policies of title insurance; and
 - (ii) any changes to the schedule of the escrow charges described in Subsection (2)(a)(i).
 - (b) Except for a schedule filed by a title insurer under this Subsection (2), a schedule filed under this Subsection (2) is subject to review by the Title and Escrow Commission.
 - (c)
 - (i) The schedule of escrow charges required to be filed by Subsection (2)(a)(i) takes effect on the day on which the schedule of escrow charges is filed.
 - (ii) Any changes to the schedule of the escrow charges required to be filed by Subsection (2)(a)(ii) take effect on the day specified in the change to the schedule of escrow charges except that the effective date may not be less than 30 calendar days after the day on which the change to the schedule of escrow charges is filed.
- (3) A title insurer, individual title insurance producer, or agency title insurance producer may not file or use any rate or other charge relating to the business of title insurance, including rates or charges filed for escrow that would cause the title insurance company, individual title insurance producer, or agency title insurance producer to:
- (a) operate at less than the cost of doing:
 - (i) the insurance business; or
 - (ii) the escrow business; or
 - (b) fail to adequately underwrite a title insurance policy.
- (4)
- (a) All or any of the schedule of rates or schedule of charges, including the schedule of escrow charges, may be changed or amended at any time, subject to the limitations in this Subsection (4).
 - (b) Each change or amendment shall:
 - (i) be filed with the commissioner, subject to review by the Title and Escrow Commission; and
 - (ii) state the effective date of the change or amendment, which may not be less than 30 calendar days after the day on which the change or amendment is filed.
 - (c) Any change or amendment remains in force for a period of at least 90 calendar days from the change or amendment's effective date.
- (5) While the schedule of rates and schedule of charges are effective, a copy of each shall be:
- (a) retained in each of the offices of:
 - (i) the title insurer in this state;
 - (ii) the title insurer's individual title insurance producers or agency title insurance producers in this state; and
 - (b) upon request, furnished to the public.

- (6) Except in accordance with the schedules of rates and charges filed with the commissioner, a title insurer, individual title insurance producer, or agency title insurance producer may not make or impose any premium or other charge:
 - (a) in connection with the issuance of a policy of title insurance; or
 - (b) for escrow services performed in connection with the issuance of a policy of title insurance.

Amended by Chapter 312, 2015 General Session

Amended by Chapter 330, 2015 General Session

31A-19a-210 Dividend and participating plans.

- (1)
 - (a) This part does not prohibit the distribution by an insurer to a policyholder of any of the following allowed or returned by the insurer:
 - (i) dividends;
 - (ii) savings; or
 - (iii) unabsorbed premium deposits.
 - (b) Notwithstanding Subsection (1)(a), an insurer may not distribute dividends, savings, or unabsorbed premium deposits to an entity that has no insurable interest in the insurance.
- (2) An insurer may not unfairly discriminate between policyholders in the payment of dividends, savings, or unabsorbed premium deposits.
- (3)
 - (a) A declaration of dividends or schedule explaining the basis for the distribution of dividends, savings, or unabsorbed premium deposits allowed or returned by an insurer to its policyholders is not a rating plan or system if the insurer:
 - (i) determines and declares the declaration or schedule after a specified policy accounting period; and
 - (ii) files the declaration or schedule pursuant to Section 31A-21-310.
 - (b) A declaration or schedule described under Subsection (3)(a) is not required to be filed with the commissioner under this chapter.
- (4)
 - (a) A dividend or participating plan developed by insurers establishing given criteria for eligibility and the general basis for distribution for a dividend, if declared, is considered a rating plan if the plan is to be applicable to an insurance policy from its inception.
 - (b) A plan described in Subsection (4)(a) shall be filed with the commissioner pursuant to this part.
- (5) An insurer may not make the distribution of a dividend or any portion of a dividend conditioned upon renewal of the policy or contract.

Enacted by Chapter 130, 1999 General Session

31A-19a-211 Premium rate reduction for seniors -- Motor vehicle accident prevention course -- Curriculum -- Certificate -- Exception.

- (1)
 - (a) Each rate, rating schedule, and rating manual for the liability, personal injury protection, and collision coverages of private passenger motor vehicle insurance policies submitted to or filed with the commissioner shall provide for an appropriate reduction in premium charges for those coverages if the principal operator of the covered vehicle:
 - (i) is a named insured who is 55 years of age or older; and

- (ii) has successfully completed a motor vehicle accident prevention course as outlined in Subsection (2).
- (b) Any premium reduction provided by an insurer under this section is presumed to be appropriate unless credible data demonstrates otherwise.
- (2)
 - (a) The curriculum for a motor vehicle accident prevention course under this section shall include:
 - (i) how impairment of visual and audio perception affects driving performance and how to compensate for that impairment;
 - (ii) the effects of fatigue, medications, and alcohol on driving performance, when experienced alone or in combination, and precautionary measures to prevent or offset ill effects;
 - (iii) updates on rules of the road and equipment, including safety belts and safe, efficient driving techniques under present day road and traffic conditions;
 - (iv) how to plan travel time and select routes for safety and efficiency; and
 - (v) how to make crucial decisions in dangerous, hazardous, and unforeseen situations.
 - (b)
 - (i) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the Department of Public Safety may make rules to establish and clarify standards pertaining to the curriculum and teaching methods of a course under this section.
 - (ii) These rules may include provisions allowing the department to conduct on-site visits to ensure compliance with agency rules and this chapter.
 - (iii) These rules shall be specific as to time and manner of visits and provide for methods to prohibit or remedy forcible visits.
- (3)
 - (a) The premium reduction required by this section shall be effective for a named insured for a three-year period after successful completion of the course outlined in Subsection (2).
 - (b) The insurer may require, as a condition of maintaining the premium reduction, that the named insured not be convicted or plead guilty or nolo contendere to a moving traffic violation for which points may be assessed against the named insured's driver license except for a violation under Subsection 53-3-221(12).
- (4) Each person who successfully completes the course outlined in Subsection (2) shall be issued a certificate by the organization offering the course. The certificate qualifies the person for the premium reduction required by this section.
- (5) This section does not apply if the approved course outlined in Subsection (2) is attended as a penalty imposed by a court or other governmental entity for a moving traffic violation.

Amended by Chapter 382, 2008 General Session

31A-19a-212 Premium increases prohibited for certain claims or inquiries.

- (1) Each rate, rating schedule, and rating manual filed for personal lines insurance may not permit a premium increase due to:
 - (a) a telephone call or other inquiry that does not result in the insured requesting the payment of a claim; or
 - (b) a claim under a policy of insurance covering a motor vehicle or the operation of a motor vehicle resulting from any incident, including acts of vandalism, in which the person named in the policy or any other person using the insured motor vehicle with the express or implied permission of the named insured is not at fault.
- (2) Subsection (1) prohibits a premium increase when:
 - (a) a policy is issued; or

(b) a policy is renewed.

(3) This section is an exception to Section 31A-19a-201.

Amended by Chapter 117, 2004 General Session

Amended by Chapter 266, 2004 General Session

31A-19a-213 Joint underwriting.

Notwithstanding Subsection 31A-19a-306(2)(a), insurers participating in joint underwriting associations or joint reinsurance pursuant to Section 31A-20-102 or other arrangements for risk sharing may in connection with such activity act in cooperation with each other in the making of one or more of the following:

- (1) rates;
- (2) rating systems;
- (3) policy forms;
- (4) underwriting rules;
- (5) surveys;
- (6) inspections and investigations;
- (7) the furnishing of loss and expense statistics or other information; or
- (8) research.

Enacted by Chapter 130, 1999 General Session

31A-19a-214 Rating tiers.

- (1) An insurer may file with the commissioner a rate filing that provides for a program with more than one rate level in the same company or group of companies if:
 - (a) the program is based, to the extent feasible, upon mutually exclusive underwriting rules per tier;
 - (b) the underwriting rules are based on clear, objective criteria that would lead to a logical distinguishing of potential risk; and
 - (c) in filing to establish tiers, the insurer provides supporting information that evidences a clear distinction between the expected losses and expenses for each tier.
- (2) A rating tier may not be continued if premium, loss, and expense data fail to show a continued clear distinction between the tiers.

Enacted by Chapter 130, 1999 General Session

31A-19a-215 False or misleading information.

A person or organization may not:

- (1) willfully withhold from the commissioner, any rate service organization, or any insurer information that will affect the rates or premiums chargeable under this chapter; or
- (2) knowingly give false or misleading information to the commissioner, any rate service organization, or any insurer.

Enacted by Chapter 130, 1999 General Session

31A-19a-216 Charging of rates.

An authorized insurer, licensed insurance producer, employee, other representative of an authorized insurer may not knowingly:

- (1) charge or demand a rate or receive a premium that departs from the rates, rating plans, classifications, schedules, rules, and standards in effect on behalf of the insurer; or
- (2) issue or make any policy or contract involving a violation of Subsection (1).

Amended by Chapter 298, 2003 General Session

31A-19a-217 Grievance procedures.

- (1)
 - (a) An insured affected by a rate may submit a written request for information to the rate service organization or insurer that made the rate.
 - (b) The rate service organization or insurer shall answer a request made under Subsection (1)(a) within 45 calendar days from the date it received the request by furnishing all pertinent rating information to:
 - (i) the insured; or
 - (ii) the insured's authorized representative.
- (2)
 - (a) A person aggrieved by the manner in which a rate service organization or an insurer has applied its rating system in connection with the insurance afforded to that person may submit a written request for review to the rate service organization or insurer.
 - (b) If a request for review is filed under Subsection (2)(a), the rate service organization or insurer shall provide a reasonable review procedure within Utah.
 - (c) The review shall examine the application of the rating system in connection with the insurance afforded the person that requested review.
 - (d) The person that requested review may be heard in person or through an authorized representative.
 - (e) If the rate service organization or insurer fails to grant the request for review within 30 calendar days from the date the request is made, the applicant may appeal in writing to the commissioner.
 - (f) If an appeal is filed under Subsection (2)(e), the commissioner may order the rate service organization or insurer to provide the review in accordance with this Subsection (2).
- (3) After a review under Subsection (2), the person that requested review may request the commissioner to confirm that the insurance afforded was rated according to filed rates and rating plans.

Renumbered and Amended by Chapter 130, 1999 General Session

31A-19a-218 Appeal from filing.

- (1)
 - (a) A person aggrieved by a filing that is in effect may apply to the commissioner in writing for a hearing.
 - (b) The application described under Subsection (1)(a) shall:
 - (i) specify the grounds upon which the applicant intends to rely to establish the grievance; and
 - (ii) state why the filing does not meet the requirements of law.
- (2) On receipt of an application for hearing under Subsection (1), the commissioner shall grant the requested hearing if the commissioner finds that:
 - (a) the application was made in good faith;
 - (b) the grievance is justified, assuming the applicant's grounds can be established; and
 - (c) the grounds otherwise justify holding such a hearing.

- (3) A hearing granted under Subsection (2) shall be held:
 - (a) within 30 calendar days from the date of receipt of the application; and
 - (b) not less than 10 days after written notice to:
 - (i) the applicant;
 - (ii) each insurer that made the filing; and
 - (iii) each rate service organization that made the filing.
- (4)
 - (a) If after the hearing the commissioner finds that the filing is defective, the commissioner shall issue an order:
 - (i) specifying the respects in which the filing fails to meet the requirements of the law; and
 - (ii) setting a date after which the filing ceases to be effective.
 - (b) A copy of the order shall be sent to each party to the dispute.
 - (c) The order may not affect any contract or policy made or issued before the date set forth in the order.

Renumbered and Amended by Chapter 130, 1999 General Session