



## STUDENT OF THE INDUSTRY PARTING SHOT

### What's in a Rate Filing

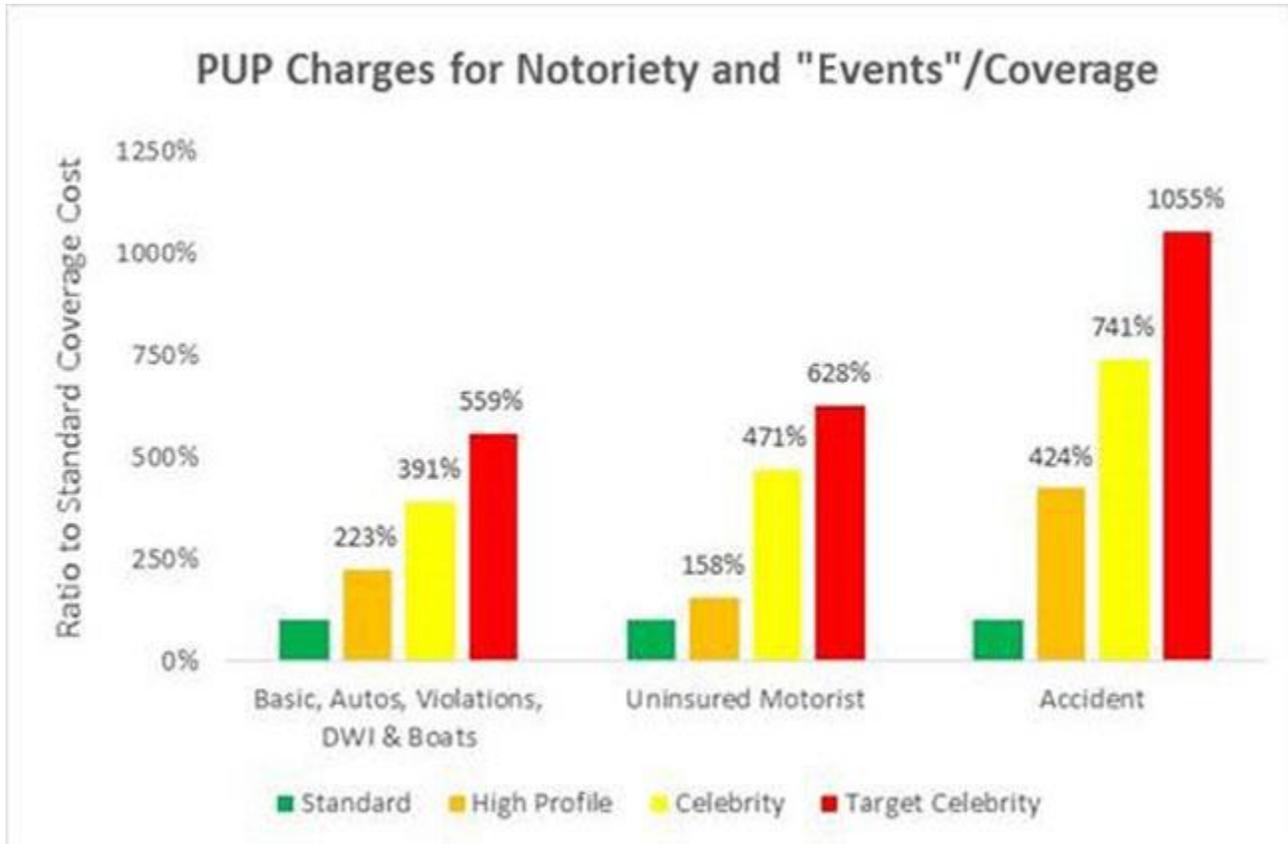
By Paul Buse, President of Big I Advantage®

Rate filings? Yes, in the lines of business Big I Advantage has programs for you, your national staff monitors rate and form filings. This would certainly be the case with agency professional liability but also personal umbrellas. From filings we can learn the size of books of business, we see changes in policy forms and of course, we see when rate changes are made.

But, what else can one find in your typical rate or form filing? A lot.

Case in point: recently, we obtained a rate filing for a personal umbrella provider you actually have access to. It is part of the alternative umbrella offerings provided by Anderson & Murison (A&M). The filing is for a Berkshire Hathaway company and USLI group member, Mount Vernon Fire Insurance Company. We see placements by them with A&M for unusual risks and no better example exists than what jumped out from this rate filing. That is, the treatment of high profile individuals and other celebrities.

Most standard PUP writers decline risks for individuals of well-known persons and these end up at underwriters like A&M and Mount Vernon Fire. What we saw in the recent filing are three levels of what we'll call "risks of notoriety:" (i) High Profile, (ii) Celebrity and (iii) Target Celebrity. What is perhaps not surprising is the up-charge for accidents is accelerated over that of other chargeable events, but unexpected is that the charge for providing famous folk uninsured motorist coverage is increased for what would be not-at-fault accidents.



[Click for larger version](#)

Source: Mount Vernon Fire Insurance Company, Rate/Rule Filing #: USLI-130638192LOB 17.0021 (Personal Umbrella and Excess)

So what is "High Profile," "Celebrity" and "Target Celebrity?" See if you can guess. Correctly identify the highest and lowest risk of those below as deemed by costs in the filing and we'll send you this complete list. That is, six of the eight below are "Celebrity" (middle risk of higher risk) and one is "High Profile" (lower risk) and one is "Target Celebrity" (higher risk). We will post the answer for everyone in the *Two for Tuesday*.

- Any professional athlete in the MLB or NHL being paid more than the team's median salary
- Best Selling authors with National Name recognition
- Any national television personality (National news anchors, news show hosts, talk show hosts, comedians, etc.)
- US Senators, Governors and higher ranking politicians
- CEO's of Fortune 100 Companies
- Any person included on the Forbes Celebrity 100 List
- Mayors of cities with a population greater than 1,000,000
- Nationally syndicated Radio Personalities

*The product and eligibility may have been revised or discontinued since the original article was written. Review the Information page for each product on Big "I" Markets for current content and instructions.*