



**STATE OF MISSISSIPPI**  
Mississippi Insurance Department

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Bulletin No. 2000-8

**TO ALL LICENSED PROPERTY AND CASUALTY  
INSURANCE COMPANIES OFFERING COLLATERAL PROTECTION OR CREDITOR-  
PLACED (FORCED PLACED) INSURANCE IN THE STATE OF MISSISSIPPI**

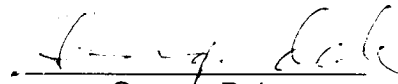
All companies offering policies and insurance products in this State for *Creditor-Placed (Forced Placed)* insurance shall be required to file a new rate schedule or support their previously approved rate schedule every three years. To initially comply with this three year filing requirement, those companies whose rate schedule was approved prior to January 1, 1998 are required to file a new rate schedule or support their previously approved rate schedule by January 1, 2001. Any companies whose rate schedule was approved after January 1, 1998 have three years from the effective date of their approved rate schedule to file a new rate schedule or support their previously approved rate schedule. Consistent with this directive, if you are not required to submit rate justification at this time, you must submit an informational letter describing your program to include title, date of approval by DOI and effective date. The informational letter must be submitted by January 1, 2001.

All companies offering a *Collateral Protection or Creditor-Placed* insurance program that includes a schedule rating plan, individual risk modification plan or other flexible rating plan, shall limit the overall maximum credit or debit in the plan to 20% for each risk. In addition, all insurers shall document any credit or debit issued under such plan and shall submit to the Department this documentation within 30 days of implementing or changing the credit or debit. If a company has in place a credit or debit in excess of the 20% maximum limitation, it is required to reduce the credit or debit to 20% by no later than January 1, 2001. To initially comply with the reporting requirement, documentation of all credits or debits must be submitted to the Department by January 1, 2001.

*This Bulletin applies to schedule rating plans for the above lines of insurance only. Any other communications from this Department concerning schedule rating deviations for other property and casualty insurance lines remain in effect until further notice.*

Upon cancellation for any reason of *Collateral Protection or Creditor-Placed* insurance, all companies shall be required to return or otherwise credit unearned premium calculated on a daily pro rata basis. Any companies who currently have other methods approved for calculating return of unearned premiums shall be required to comply with this requirement no later than January 1, 2001.

In response to inquiries concerning Bulletin No. 2000-7 dated April 25, 2000, the Department advises that other insurance products which are subject to the rescission of the "inland marine" classification and, therefore, are not exempt from rate and form filing requirements include lender's collateral protection, credit property, and involuntary unemployment insurance. For questions concerning the directives of Bulletin 2000-7 and 2000-8, contact the Property and Casualty Rating Division, P.O. Box 79, Jackson, MS 39205-0079; telephone 601-359-3575.

  
George Dale  
Commissioner of Insurance  
State of Mississippi