



## MISSISSIPPI INSURANCE DEPARTMENT

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### BULLETIN NO. 2011-4

**TO:** ALL PRODUCERS AND PROPERTY AND CASUALTY INSURERS  
WRITING HOMEOWNERS INSURANCE IN THE STATE OF MISSISSIPPI

**FROM:** MIKE CHANEY  
COMMISSIONER OF INSURANCE

**DATE:** MAY 16, 2011

**SUBJECT:** USE OF GEOGRAPHIC INFORMATION SYSTEMS FOR INSURANCE  
RATING PURPOSES


Geographic information systems (GIS) are being utilized more and more to determine, or verify the location of a given property for insurance rating purposes. An example of such a system is ISO's LOCATION system.

It has come to my attention that the use of various GIS systems has resulted in determinations that some homes previously thought to be in areas with more favorable fire gradings, are in fact located in areas with less favorable fire gradings. The significance of this is that affected homeowners may face abrupt and substantial increases in their homeowner insurance rates through no fault of their own.

So as to ease this potential burden on the affected homeowners, insurers using a GIS system to verify the location of a previously insured home shall implement any resultant premium increase incrementally. Specifically, no insurer shall increase an affected homeowner's rates during any twelve (12) month period to an amount commensurate with more than one fire grading classification, or fifteen percent (15%), whichever is less.

Additionally, any producers, insurance company representatives or other interested parties with questions or issues regarding fire protection classifications or the specific location of property should contact the Mississippi State Rating Bureau at 601-981-2915 or [msrb@msratingbureau.com](mailto:msrb@msratingbureau.com). Producers, insurance company representatives or other interested parties are hereby requested to refrain from contacting state or county fire coordinators or local fire departments regarding this issue.

If there are any questions regarding this bulletin, please call the Mississippi Insurance Department at 601-359-3569.



MIKE CHANEY  
COMMISSIONER OF INSURANCE